

# Promoting a Globally Competitive Workforce for Snohomish County



**Workforce** Development Council  
**Snohomish** County

**Two Year Strategic Plan  
2009 - 2011**



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# INTRODUCTION

## Vision

Workforce Development Council Snohomish County (WDC) will be the nationwide leader in providing a model system of universal access in which job seekers develop careers to achieve a livable wage, employers have access to a sustainable workforce, and the community can build upon its economic health and vitality.

## Mission

WDC invests government and private funding to continuously increase the global competitiveness and prosperity of our workforce and businesses, fill current and emerging jobs, and provide full employment. Our investments are made through effective business, labor, community-based, educational, and service-provider organizations for the opportunity, economic well-being, and benefit of our entire community.

## Goals, Objectives, and Strategies

Goal 1 – 100% Global Competitiveness	
<b>Board/CEO</b>	<b>Objective 1.1 – Champion public policy goals that lead to the economic health and vitality of the community.</b>
	Strategy 1.1.1 – Engage stakeholders to identify public policy needs.
	Strategy 1.1.2 – Select and prioritize public policy objectives that align with the WDC mission.
<b>Strategic Initiatives</b>	<b>Objective 1.2 – Increase sustainable funding.</b>
	Strategy 1.2.1 – Diversify funding sources.
	Strategy 1.2.2 – Leverage funding sources through partnerships with stakeholders.
<b>Infrastructure</b>	<b>Objective 1.3 – Increase recognition of workforce development system brands.</b>
	Strategy 1.3.1 – Develop and employ an outreach plan to ensure WorkSource brand recognition.
	Strategy 1.3.2 – Evaluate and strengthen the WDC outreach plan.
<b>Service Delivery</b>	<b>Objective 1.4 – Maintain a service system in which businesses attain the knowledgeable, skilled employees required to be competitive in today’s economy.</b>
	Strategy 1.4.1 – Build partnerships with training providers and stakeholders.
	Strategy 1.4.2 – Build partnerships with service providers and stakeholders.
Goal 2 – 100% Jobs Filled	
<b>Board/CEO</b>	<b>Objective 2.1 – Build, support, and facilitate partnerships with education, labor, and industry.</b>
	Strategy 2.1.1 – Increase board member education, knowledge, and accountability.
<b>Strategic Initiatives</b>	<b>Objective 2.2 – Facilitate increased training and apprenticeship options with partners to match current and future employment opportunities.</b>
	Strategy 2.2.1 – Collaborate with new and existing partners to seek funding and leverage to support training, apprenticeship, and employment programs.
	Strategy 2.2.2 – Continuously evaluate employment trends and needs.
<b>Infrastructure</b>	<b>Objective 2.3 – Ensure a first-rate job order and matching system is in place.</b>
	Strategy 2.3.1 – Train staff to enter data that is accurate, reliable, and consistent.
	Strategy 2.3.2 – Implement and use a customer satisfaction continuous improvement

	feedback process.
<b>Service Delivery</b>	<b>Objective 2.4 – Identify and recruit job candidates using their capabilities, potential, knowledge, and experience.</b>
	Strategy 2.4.1 – Develop opportunities and remove barriers for job candidates to access jobs and/or training.
	Strategy 2.4.2 – Ensure current and emerging job openings and requirements are identified, documented, and monitored.

<b>Goal 3 – 100% Employment</b>	
<b>Board/CEO</b>	<b>Objective 3.1 – Champion a workforce development system that actively monitors and fosters continuous and creative improvement.</b>
	Strategy 3.1.1 – Identify meaningful metrics to measure outcomes and performance.
	Strategy 3.1.2 – Be an ambassador for an effective workforce development system that demonstrates successes and continuous improvement.
<b>Strategic Initiatives</b>	<b>Objective 3.2 – Partner with other allied organizations to assist in the attraction, recruitment, and retention of a skilled workforce.</b>
	Strategy 3.2.1 – Identify partners who are resources for employment information.
	Strategy 3.2.2 – Develop a defined process for identifying and communicating all regional job opportunities.
<b>Infrastructure</b>	<b>Objective 3.3 – Ensure by regular measurement a first-rate job order and matching process is in place.</b>
	Strategy 3.3.1 – Identify appropriate measurement.
	Strategy 3.3.2 – Use data to design appropriate processes for job orders and matches.
<b>Service Delivery</b>	<b>Objective 3.4 – Ensure the right services are being delivered at the right time in an ever-changing environment.</b>
	Strategy 3.4.1 – Identify current environment and services needed.
	Strategy 3.4.2 – Design and deliver services and measures for effectiveness.

<b>Goal 4 – 100% Ever Increasing Productivity and Prosperity</b>	
<b>Board/CEO</b>	<b>Objective 4.1 – Continuously identify skills and workforce challenges of the future and direct initiatives to advance those opportunities.</b>
	Strategy 4.1.1 – Lead the Blueprint 2015 partnership.
	Strategy 4.1.2 – Identify and promote changes to workforce regulations that will better enable career development.
<b>Strategic Initiatives</b>	<b>Objective 4.2 – Research and develop initiatives to advance the growth of high-wage, high-skill opportunities and career in targeted clusters.</b>
	Strategy 4.2.1 – Support and inform Blueprint 2015.
	Strategy 4.2.2 – Develop career foundation initiatives and products.
	Strategy 4.2.3 – Develop cluster-specific initiatives and products.
<b>Infrastructure</b>	<b>Objective 4.3 – Support the advancement of selected initiatives through messaging and technology.</b>
	Strategy 4.3.1 – Enhance technology infrastructure for universal access.
	Strategy 4.3.2 – Increase awareness and use of products and initiatives.
<b>Service Delivery</b>	<b>Objective 4.4 – Promote and implement initiatives that advance productivity and prosperity.</b>
	Strategy 4.4.1 – Deliver career foundation and advancement products and initiatives to youth and adults.
	Strategy 4.4.2 – Provide group and individual career planning and advancement services.

The workforce of Snohomish County is one of its most strategic assets. A growing and globally competitive economy requires a match between the needs of business and skilled employees. Efficient labor markets require that businesses and job seekers find productive matches in a timely manner. Increasing the productivity and prosperity of both businesses and workers requires access to quality education and training that impact both immediate job prospects and life-long learning. The industry-led actions that Snohomish County Government and WDC are taking in collaboration with Snohomish County education, economic development, community development, and human services are focused on one simple aim: **continuously increase the effectiveness and efficiency of our workforce development system to ensure globally competitive business and that this “new generation of prosperity” achieves its full potential.**

To that end, WDC is focusing every available resource on improving the productivity of the Snohomish County workforce development system by making three types of investments: investment in system capital, investment in system staff and services, and investment in the system’s multi-factor productivity. These investments will help us continuously advance toward realization of the WDC vision and mission as well as attainment of our four “stretch” goals: **100% global competitiveness, 100% jobs filled, 100% employment, and 100% ever increasing productivity and prosperity.** Ultimately, the prosperity of our businesses and residents, our county, our state, and our nation will be advanced as well.

The *WDC Strategic Plan 2009-2011: Promoting a Globally Competitive Workforce for Snohomish County* (Plan) aligns with the three goals set for our state’s workforce development system in *High Skills, High Wages 2008-2018*:

1. Youth – Ensure all youth receive the education, training, and support they need for success in postsecondary education and/or work.
2. Adults – Provide Washington adults (including those with barriers to education and employment) with access to lifelong education, training, and employment strategies.
3. Industry – Meet the workforce needs of industry by preparing students, current workers, and dislocated workers with the skills employers need.

The Plan is also consistent with the following findings identified by County Executive Aaron Reardon's Snohomish County Citizens Cabinet on Economic Development:

“We must ensure that children receive an education that prepares them for employment or secondary schooling. We must ensure that postsecondary schooling is available for youth transitioning out of high school, adults furthering their education to improve their economic vitality or dislocated workers re-entering the workforce. Finally, we must ensure that businesses currently operating in Snohomish County, as well as those looking to expand or start a new business, have access to trained and motivated local employees. By investing in these areas, we help improve the economic vitality of individuals, families, and businesses in Snohomish County.”

Additionally, the Plan is consistent with the broad-based Snohomish County demand-driven, industry cluster-based strategy for targeting investment of scarce Federal and State workforce investment resources toward attracting, retaining, and expanding nine key industry clusters that drive the economy of Snohomish County as articulated in *Snohomish County Blueprint 2015: A Blueprint for Education, Workforce, and Economic Development in Snohomish County* (Blueprint 2015).

Thus, WDC plans to fulfill its Federal mandate and local strategic role by utilizing its WIA Title I-B formula, 10%, Rapid Response Additional Assistance, and other resources to develop a WorkSource Snohomish County system (WorkSource) that is 100% globally competitive by filling 100% of industry jobs, achieving 100% employment, and powering our economic engine with 100% ever increasing productivity and prosperity.

The next two years will be a time of enormous challenge and opportunity for Snohomish County. Our population will need access to a wide variety of educational programs at a time when the projected need for postsecondary career and technical education outstrips capacity. In addition, as the economy continues its accelerating shift toward technology and knowledge-based industry, the workforce development system will need to continuously re-tool programs and services at the speed of business to fill forecasted needs while retaining a seamless interface with job seekers and industry.

The next two years present an opportunity for Snohomish County to enhance our position as a globally competitive economic center of regional, national, and international importance. This opportunity can be fully realized through a concerted and collaborative effort among Snohomish County Government, education, workforce, economic, community, and human development to ensure that every Snohomish County resident can achieve prosperity through progressive skill development and productive work in a demand industry cluster in her/his community.

In study after study, we find that business is requiring a higher skilled workforce to sustain growth. Positions across the spectrum are requiring not only technical skills but skills that equip job seekers for the future, such as the ability to acquire and use information and technology, work with others, be responsible, demonstrate integrity, demonstrate self-management, allocate resources, solve problems, and know how to learn. It is clear that to solve the demand for a skilled workforce, government, education, workforce development, economic development, and community development must work together to create a seamless whole.

As in any growing region and economy, far too many people who seek work or have barriers to employability are being left behind. Many public assistance recipients who have found employment still have difficulty in making ends meet and finding time to upgrade skills and increase wages. The digital divide between those who have access to technology and those who do not is a strong influence in determining whether individuals are able to benefit from the new economy. Job seekers with barriers to self-sufficiency are crucial to our potential for growth. This Plan focuses resources on helping individuals with barriers to self-sufficiency receive the intensive services and training needed to achieve wage progression in our economy.

A globally competitive economy also creates significant job dislocations and challenges for upgrading the skills of incumbent workers. A rapidly shifting economy with new applications in technology is a serious challenge for both business and workers to stay current and productive. Anticipating changing business requirements and assisting workers who become dislocated is another significant challenge for the Plan. The Plan contains strategies for implementation by WDC in concert with education and businesses to develop demand-driven, short-term training and to provide access to the services needed to assist dislocated workers to help them rapidly find new jobs at commensurate wages.

A major focus of WDC is to create a comprehensive, fully integrated network of workforce development services. Neither business nor job seekers should fall victim to myriad distinct programs and eligibility requirements that prevent integrated services. The Plan continues the work to actualize WorkSource as a demand-driven one-stop workforce development system for people searching for work and a single point of contact for businesses to list jobs and to find access to a variety of services to meet their needs.

Further, WDC, like the Workforce Training and Education Coordinating Board (Workforce Board), recognizes that a longer-term horizon is needed, one that goes beyond getting participants into an entry-level job and emphasizes long-term economic successes and wage progression for system participants. To that end, all objectives discussed in this Plan are 2009-2019 focal points, with strategies being implemented in the 2009-2011 span of time. This allows WDC to take action on strategies to immediately affect the unique needs, priorities, and resources of Snohomish County while also ensuring that future youth, adult, and industry needs are reflected. Combined, WDC's objectives and strategies will affect

short-term and long-term gains for system participants and encourage career pathways and lifelong learning.

This Plan positions Snohomish County as a location of choice that brings together the best education and training and an excellent environment and quality of life, with workers prepared to meet the needs and demands of a globally competitive economy. As the Plan is implemented, our collective vision of all workers and job seekers finding productive employment in a strong and diverse, globally competitive economy will be realized.

## BACKGROUND RESEARCH AND CONTEXT

### Goal 1 – 100% Global Competitiveness – A New Context

#### Global Interdependence and Implications for the U.S. and Washington State

There has been growing concern at the national, state, regional, and local levels about the competitiveness of the U.S. economy in the global marketplace. According to Governor Gregoire’s Global Competitiveness Council, “The increasingly globalized nature of the world economy is evident in the dramatic growth in trade and investment flows between nations.” Between 1980 and 1990, service exports grew from \$260 to \$780 million. Total world merchandise exports grew from \$2 to \$3.4 trillion during the same ten year period. These trends continued accelerating with service exports growing to \$2 trillion and merchandise exports growing to \$8.9 trillion in 2004. This represented an average annual rate increase of 9%. Foreign direct investment also increased exponentially from \$1.8 to \$8.9 trillion between 1990 and 2004.<sup>1</sup> Growth in world merchandise exports did slip to 8.5% in 2006 and 6% in 2007 due to weakening demand from developed economies. Additionally, realignments in exchange rates and fluctuations in commodities such as oil and gas introduced uncertainties into the global markets. While trade in manufactured products grew faster from 2006 to 2007 than did trade in agriculture and in fuels and mining products, the surge in agricultural prices is what dominated developments in 2007.<sup>2</sup>

Those countries that produce the most important new products and services can capture a premium in world markets that will enable them to pay high wages to their citizens.  
*(Tough Choices or Tough Times)*

Technological advances have allowed countries such as Brazil, China, and India to leapfrog over traditional economic development pathways employed by developing countries to become economic powerhouses on the global stage in a matter of years. The participation of Least-Developed Countries has also been increasing over the past five years. In short, the international supply of services is rapidly increasing.<sup>3</sup> At the same time, a near perfect storm of troubling events have created a challenging and uncertain environment for the U.S. businesses. The collapse of the U.S. housing market, the resulting change in the global market for credit, and rising food and energy prices have led to economic slowdown, rising inflation, and a more difficult framework for policymakers.<sup>4</sup>

In this environment, “American leadership in terms of innovation, creativity, entrepreneurship, and commercialization of new technologies is in danger of slipping. We must take care to maintain a precious asset: the production of goods and services that a growing world market demands,” according to Governor Gregoire’s Global Competitiveness Council.<sup>5</sup>

<sup>1</sup> (Governor Gregoire's Global Competitiveness Council, 2006)

<sup>2</sup> (World Trade Organization, 2008)

<sup>3</sup> (World Trade Organization, 2008)

<sup>4</sup> (Deloitte, 2008)

<sup>5</sup> (Governor Gregoire's Global Competitiveness Council, 2006)

These findings are particularly important to our state where one in every three jobs is related to international trade. In fact, Washington is the most trade-dependent state in the nation, exporting more on a per capital basis than any other state. Trade-related jobs are excellent for our state and individual and family levels as well, given that these jobs pay quite well. This means that Washington is extremely well positioned to take advantage of the globalization process. It also means that Washington will suffer disproportionately if the U.S. loses its competitive edge.<sup>6</sup>

### **U.S. Ranking on Key Economic Indicators**

Overall, the United States ranks 18<sup>th</sup> out of 30 Organisation for Economic Co-operation and Development (OECD) member nations on key indicators in the following categories:

- |               |                  |                        |          |                          |
|---------------|------------------|------------------------|----------|--------------------------|
| ▪ Population  | ▪ Labor Market   | ▪ Macroeconomic Trends | ▪ Prices | ▪ Science and Technology |
| ▪ Environment | ▪ Public Finance | ▪ Quality of Life      | ▪ Energy | ▪ Economic Globalization |

U.S. ranking on many of these indicators and the associated trends give significant cause for alarm. For example:

- 1) The U.S. ranks 28<sup>th</sup> among 32 OECD nations and the European Union in the relative growth of exports of goods between 1996 and 2006 (China ranks first).
- 2) The U.S. ranks 32<sup>nd</sup> among OECD 36 nations in the relative growth of exports of services between 1997 and 2006 (India ranks first).
- 3) The U.S. lagged behind a number of OECD nations including Turkey, Slovak Republic, Hungary, Czech Republic, Korea, Poland, Greece, Iceland, and Luxemburg in average annual growth in productivity between 2001 and 2006.
- 4) The U.S. ranks 27<sup>th</sup> among 34 OECD nations in gross fixed capital formation as a percentage of Gross Domestic Product (GDP) (China ranks first).
- 5) The percentage change in the proportion of U.S. investment in fixed capital formation between 1991 and 2004 was 2.4% (in China, it was 15.9%).
- 6) The U.S. ranks 22<sup>nd</sup> among 28 OECD nations in gross fixed capital formation on machinery and equipment as a percentage of GDP.
- 7) The household net savings rate has been steadily declining in the U.S. since 1990 and is lower than the rates for all OECD countries reporting with the exception of Australia and Canada.
- 8) The U.S. ranks 26<sup>th</sup> among 32 OECD nations in performance on an international mathematics scale.
- 9) The percentage of foreign born persons with a postsecondary education relative to all persons with a postsecondary education in the U.S. is below that of 10 other OECD member countries including Luxembourg, Australia, Switzerland, Canada, New Zealand, Ireland, the United Kingdom, Portugal, Austria, and Sweden.
- 10) The U.S. ranks 26<sup>th</sup> among 29 nations in public social expenditures as a percentage of GDP but spends almost 50% more than the next highest-spending countries on health care and ranks number one among 21 nations in the number of convicted adults admitted to prisons.

As is clear from the above indicators, other nations are making strategic and disciplined investments in research and development, infrastructure, education and workforce development, social services, and health care. These investments include:

- Investment in capital formation at the individual and capital markets levels.

<sup>6</sup> (Governor Gregoire's Global Competitiveness Council, 2006)  
Promoting a Globally Competitive Workforce for Snohomish County

- Investment in research and development.
- Investment in a fully articulated early childhood through life education and training system responsive to business needs.
- Marketing to and investment in foreign students.
- Statute and policy revision to facilitate business startup and retention of foreign students and workers.
- Targeted investment in social services and managed investment in health care.<sup>7</sup>

Other studies reveal areas in which the U.S. is falling short compared to international competition. Though Americans increasingly realize their connections and contributions to globalization, the degree to which Americans know about and travel around the world is surprisingly low. Only 30% of Americans possess a valid passport and just 10% of U.S. citizens can speak a second language. In contrast, more than half of the people in the 27 nations of the European Union are bilingual, and 28% are trilingual. Of U.S. students surveyed, 63% could not find Iraq on a map and 75% had no idea where Israel was or that Indonesia was an Islamic nation. Less than 1% of high school students are learning the languages most vital to this country's future: Chinese, Arabic, Farsi, Korean, Japanese, Russian, Hindi, and Urdu. However, English is mandatory for Chinese students. A shortage of strong foreign-language skills alone will make the U.S. less globally competitive, let alone lack of cultural awareness in general.<sup>8</sup>

There has been extensive analysis of these and other indicators of global competitiveness at the national, state, regional, and local levels. A brief review of some of key works is provided below.

### **Review of National Level Literature**

In light of the above statistics, there are several key publications that examine steps the U.S. must take to remain competitive in the global marketplace.

*Innovate America* was produced by the Council on Competitiveness and clearly articulates the following challenge:

“America’s challenge is to unleash its innovation capacity to drive productivity, standard of living, and leadership in global markets. At a time when macro-economic forces and financial constraints make innovation-driven growth a more urgent imperative than ever before, American businesses, government, workers, and universities face an unprecedented acceleration of global change, relentless pressure for short-term results, and fierce competition from countries that seek an innovation-driven future for themselves.”

In response, the Council developed a three point national innovation agenda to:

- Increase investment that revitalizes research, energizes entrepreneurship, and reinforces risk-taking and long-term investment.
- Create consensus-based innovation growth strategies, create an intellectual property regime, strengthen manufacturing capacity, and build innovation infrastructure.
- **Attract, develop, and retain a talented workforce** [emphasis added].

Specific strategies under this last point include:

- Developing an education strategy for a diverse, innovative, and technically-trained workforce funded with tax deductible scholarships and portable graduate fellowships, supported by reformed immigration policy that allows the U.S. to attract the best and brightest science and engineering

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<sup>7</sup> (Organisation for Economic Co-operation and Development, 2008)

<sup>8</sup> (Winchester, 2008)

students from around the world as well as supporting their employment in the U.S. following graduation.

- Catalyzing the next generation of American innovators through problem-solving based learning at all levels, bridging the gap between research and application, and establishing innovation curricula for entrepreneurs and small business managers.
- Empowering workers to succeed in the global economy by providing lifelong learning, accelerating the portability of health care and pension benefits, aligning training to skill needs, and expanding assistance to workers dislocated by technology and trade.<sup>9</sup>

*Rising above the Gathering Storm* was issued by the National Academy of Sciences, National Academy of Engineering, and the Institute of Medicine and raises the same concerns:

“Having reviewed trends in the United States and abroad, the committee is deeply concerned that the scientific and technical building blocks of our economic leadership are eroding at a time when many other nations are gathering strength...The nation must prepare with great urgency to preserve its strategic and economic security. Because other nations have, and probably will continue to have, the competitive advantage of a low-wage structure, the United States must compete by optimizing its knowledge-based resources, particularly in science and technology, and by sustaining the most fertile environment for new and revitalized industries and the well-paying jobs they bring.”

The National Academies developed four recommendations to address this challenge:

- Provide incentives for innovation and investment through a modernized patent system, realigned tax policies, and affordable broadband access.
- Sustain and strengthen the nation’s commitment to long-term basic research.
- Attract the best and brightest students, scientists, and engineers from within the U.S. and throughout the world by using scholarships, fellowships, and tax credits to increase the number and proportion of U.S. students who earn science and math-related degrees while improving visa processing for international students and scholars, providing mechanisms for students to remain in the U.S. following education, and supporting scholarly exchange globally.
- **Increase and expand America’s talent pool by improving K-12 science and mathematics education and improving articulation with postsecondary education** [emphasis added].<sup>10</sup>

Two recently issued national level documents provide key insights around these issues. *America’s Fiscal Future: Implications for Higher Education and Global Competitiveness* was issued by the Government Accountability Office (GAO) and is based on the findings reported by the GAO in *21<sup>st</sup> Century Challenges: Reexamining the Base of the Federal Government*. These documents examine the growing fiscal burden of the Federal government which is now \$165,000 per person. They also examine the composition of the current and projected Federal burden as a percentage of GDP with radically increased burdens in Social Security and Medicare/Medicaid spending by 2030, an increase fueled by an aging population as discussed in the section entitled *100% Employment – Providing Opportunity for All*. It will also be fueled by a growing net interest burden and will consume a growing share of the GDP. The GAO identifies the following forces shaping the U.S. and its place in the world:

- Large and growing long-term fiscal imbalance
- Increasing global interdependence
- Science and technology advances
- Diverse governance structures and tools
- Evolving national and homeland security policies
- Demographic shifts
- Quality of life trends
- The changing economy

<sup>9</sup> (Council on Competitiveness, 2005)

<sup>10</sup> (Committee on Prospering in the Global Economy of the 21st Century, 2005)

The changing economy is characterized as follows:

“The shift to a knowledge-based economy and the adoption of new technology has created the potential for higher productivity but poses new challenges associated with sustaining the investment in human capital and research and development that is so vital to continued growth. While the sustainability of U.S. economic growth has been aided by trade liberalization and increased market competition in key sectors, the sustainability of growth over the longer term will require a reversal of the declining national savings rate that is vital to fueling capital investment and productivity growth.”

The GAO concludes that we cannot solve the problem with economic growth alone. A lack of growth, however, would greatly exacerbate our fiscal imbalance. This is a matter of considerable concern given the ranking of the U.S. on key OECD indicators as discussed above and in the section entitled *100% Ever Increasing Productivity and Prosperity – Powering Our Economic Engine*.

In its examination of how the Federal government can and should support education and employment in light of these tremendous fiscal pressures, the GAO asks the following questions:

- How can existing policies (pension, disability, health, and immigration) and programs be reformed to ensure that employers have sufficient numbers of workers with the right skills?
- Is there a need for better coordination or integration among higher education policy tools and/or periodic examination of those tools?
- How can the U.S. balance immigration policies, such as worker and student visa programs, to address employers’ needs for workers with particular skills (particularly math and science), the nation’s need to maintain global leadership in areas such as science and higher education, and the nation’s homeland security requirements?

On September 19, 2006, the Comptroller General held a forum at GAO on global competitiveness. Some of the ideas and themes that emerged in answer to these questions included:

- Improving the ability to attract and retain talented foreigners to our higher education system and workforce while addressing homeland security requirements by developing strategies that improve upon those developed by other countries to market our higher education system, to create widespread coursework portability and degree comparability, and make it easier for students to stay and work after graduation.
- Improving investment mechanisms (tax credits, financial aid, scholarships, fellowships, etc.) for postsecondary education, particularly graduate school, which support lifelong learning among students that may be part- or full-time.
- Assessing the impact of efforts to close achievement gaps among disadvantaged populations in K-16+ education.
- Assessing the effectiveness of education programs in meeting the needs of the 21<sup>st</sup> century workforce.<sup>11</sup>

Washington and Snohomish County are not waiting for the Federal government to take action on these strategies to identify and implement strategies at the state and local level, as is made clear in the following literature review.

### **Review of State Literature**

Governor Gregoire’s Global Competitiveness Council identifies five challenges that must be addressed with prompt and decisive action to ensure continued U.S. leadership in global markets. These challenges include:

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<sup>11</sup> (United States Government Accountability Office, 2006)  
Promoting a Globally Competitive Workforce for Snohomish County

- Ensuring we have a state-of-the-art, reliable, and sustainable physical infrastructure system for agriculture, manufacturing, high-speed telecommunications, transportation, and trade utilizing diverse and renewable energy sources.
- Ensuring we are effectively marketing our quality of life, good schools, a prepared workforce, infrastructure, and ease of doing business to attract strategic economic partners.
- Ensuring we adopt a forward thinking and sustainable political strategy for supporting business in the global marketplace.
- Ensuring we support research and innovation as the key to economic growth.
- **Ensure we are preparing young people with the skills needed to enter the workforce and are providing opportunities for current workers to develop the skills needed throughout their careers [emphasis added].<sup>12</sup>**

Governor Gregoire expands upon this work in *The Next Washington - Growing Jobs and Income in a Global Economy: 2007-2017* which endeavors to answer the question, “How can we stay ahead of the global transformation of the economy so we all benefit from its potential?” This work is founded in a vision of Washington as a small nation with unique, personal connections to global leaders and the following key assumptions:

- Washington is a force in the global economy and its ability to compete in that economy rests on the skills and innovation of its workforce.
- Education is the single most important economic investment we can make.
- The public sector should lay the foundation for private sector success through traditional and cutting-edge infrastructure.
- Political strategy needs to support that Washington is “open for business.”
- Our investments should be focused and targeted and leverage private activity with the end goal of increasing our competitive advantage.
- We can and must create jobs without harming the environment through the use of clean technologies and renewable energy and without trading the needs of small firms for those of large ones or those of new industries for those of mature ones.

Governor Gregoire has issued a challenge to Washingtonians to build on our strengths and continue to claim a leadership position in a world that has grown increasingly interdependent. [It] is a call to action that applies to the position we find ourselves facing in a world economy that is changing the marketplace faster than anyone could have anticipated.  
*(Global Competitiveness Council)*

Governor Gregoire’s draft budget includes proposed investments targeted specifically to meet these needs. As she notes in *The Next Washington*, these state investments must be integrated with regional and local strategies and investments in unique and economically diverse communities throughout our state.<sup>13</sup>

### **Review of Regional Literature**

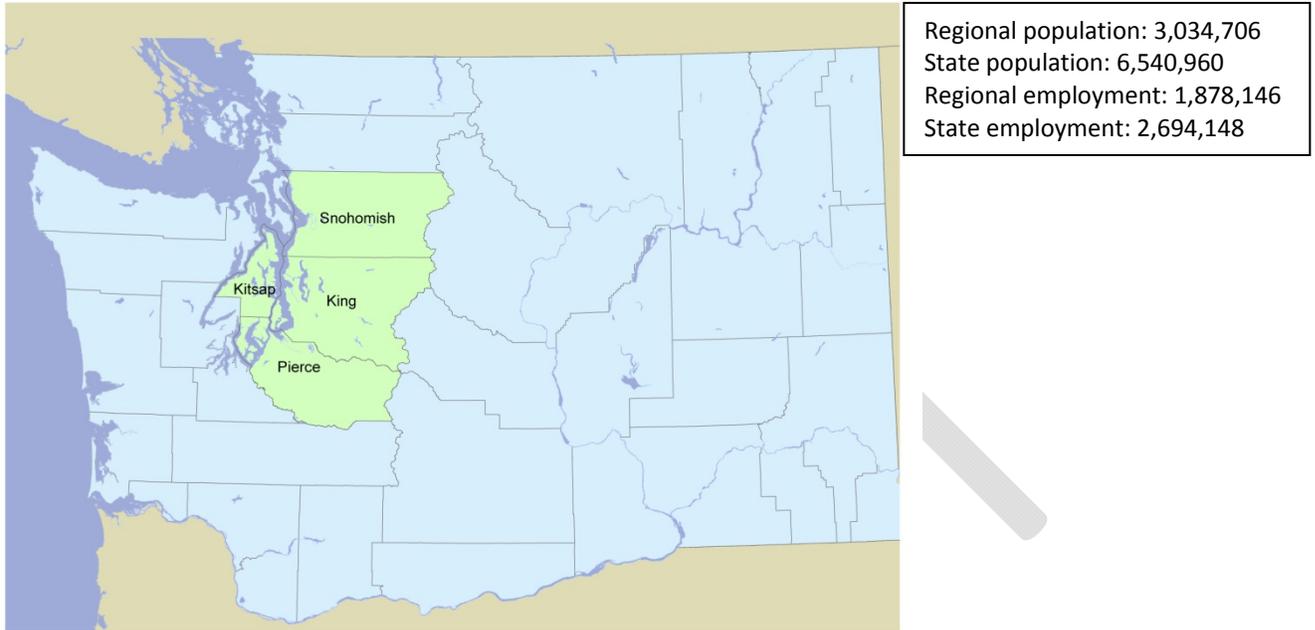
The Washington State economy is comprised of regional and local economies. Depicted in Figure 1 below, the Central Puget Sound Region includes King, Kitsap, Pierce, and Snohomish Counties. The land area of the Central Puget Sound Region is greater than the size of Connecticut and Rhode Island combined and accounts for 46% of the state population and 70% of its employment.<sup>14</sup>

<sup>12</sup> (Governor Gregoire’s Global Competitiveness Council, 2006)

<sup>13</sup> (Governor Chris Gregoire, 2007)

<sup>14</sup> (Economic Modeling Specialists, Inc, 2008)

**Figure 1**



The Prosperity Partnership, a coalition of more than 300 government, business, labor, and community organizations in King, Kitsap, Pierce, and Snohomish Counties, is actively engaged in the development of a regional approach toward prosperity in a globally competitive environment built upon six economic foundation areas:

- Improve the movement of technological innovations from research institutions to the marketplace.
- Nurture entrepreneurs and small businesses.
- Implement balanced, pro-competitive tax reform.
- Build an effective transportation system to support a world-class region.
- Secure broad-based prosperity in all parts of the region through a strong civic and non-profit community.
- **Ensure a vibrant, well-educated and adaptable workforce with an entrepreneurial spirit** [emphasis added].

At the Prosperity Partnership’s annual luncheon in 2008, keynote speaker Scott Carson, President and CEO of Boeing Commercial Airplanes, highlighted six things to consider as the region prepares for its future:

- Globalization has changed the way companies do business, and the impacts of doing business this way are felt worldwide.
- The global marketplace is more competitive than

In regards to keeping the Puget Sound region on top of the global competitiveness game, it is precisely at such times as these, when we seem to be immersed in crisis and the inclination to panic, that we must focus more than ever on our vision for the long term. On the collective, greater good, our shared values, and on the foundational relationships that have served us so well.  
*(Scott Carson, President and CEO of Boeing Commercial Airplanes)*

ever and resource scarcity is a serious issue.

- Operating locally means that more jobs remain at home, and competing globally ensures the need for more jobs in the future.
- Location is a choice, and while Washington has made a lot of progress, real estate costs are an issue and business tax rates could improve.
- Customers expect reliability, and this means a stable operating environment and the ability to adapt and be flexible in the face of challenges are crucial elements of success.
- Governments, businesses, nonprofits, education, and labor groups must work together to keep the region prosperous.<sup>15</sup>

The Partnership's strategies also target fifteen industry clusters for attraction, retention, and expansion. It has established work groups that have identified and are working to implement global competitiveness strategies for the aerospace, clean technology, information technology, life sciences, and logistics and trade industry clusters.<sup>16</sup>

Snohomish County education, workforce, and economic development institutions have taken the lead role on working with industry to develop and implement regional strategies for the aerospace industry cluster. These strategies include the formation of an enterprise consortium for small- and medium-size businesses, creation of an aggressive workforce development action plan, and formation of a Center of Innovation in the Technology of Aerospace.

### **Review of Local Literature**

County Executive Aaron Reardon convened the Snohomish County Citizens Cabinet on Economic Development to issue the *Blueprint for the Economic Future of Snohomish County*. The Cabinet identified four key competitiveness issues of greatest concern for the economic future of Snohomish County in the global marketplace. These are:

- Implementing regulatory reforms that promote a healthy economic climate.
- Creating a tax and fee structure that ensures business and citizens derive value from government.
- Ensuring that the county has the infrastructure needed to be globally competitive.
- **Meeting the education and training needs of our residents and local business** [emphasis added].

The Cabinet's Human Capital Subcommittee was responsible for developing recommendations about how Snohomish County, in cooperation with other public and private institutions, can improve the quality and readiness of its citizens to enter the workforce. Further, the committee was charged with assessing how we can train and provide incentives to attract and maintain a well-qualified workforce that contributes to the quality of Snohomish County. The committee's recommendations included:

- Using *Snohomish County 2010: A Blueprint for Education, Workforce and Economic Development in Snohomish County* (now *Blueprint 2015*) as a foundation for the development of a strategy to engage the community and legislators to support 0-20+ education with adequate funding to make needed education available and affordable.
- Providing basic supports to Snohomish County families, including child care, transportation, food, shelter, books, and the opportunity for every child to attend preschool.
- Developing strategies to make affordable, 4-year postsecondary education available in Snohomish County.
- Ensuring that WDC serves as a catalyst for workforce development and training in Snohomish County that leverages existing service delivery infrastructure.

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<sup>15</sup> (Prosperity Partnership, 2008)

<sup>16</sup> (Prosperity Partnership, 2008)

The three key actions associated with this recommendation included:

1. Clear articulation by the County Executive of his vision for WIA in Snohomish County.
2. Review of all WDC board appointments, active recruitment of needed members, and Board education.
3. Obtain recommendations for WDC and system performance improvement through a community forum.<sup>17</sup>

County Executive Aaron Reardon has completed all three actions.

As may be seen from the above cook's tour of related literature, the public discourse at the national, state, regional, and local levels regarding effective positioning for improving competitiveness in the global marketplace has been wide ranging. It has also yielded remarkable consensus in several key areas. The focus and role of workforce development councils around the nation in addressing some of these key issue area at the local level is the subject of discussion in the following section.

### **Focus and Role of WDC**

As noted above, there are some clear consensus themes and focus areas that emerge from each of these analyses: the need to invest in research and development; the need to create state-of-the art infrastructure; and the need to ensure our workforce development system helps youth and adults continuously develop and refine the skills needed to support their own career resiliency, the productivity of the businesses that employ them, and the prosperity of our county.

There are statewide, regional, and local groups throughout Washington that are working on these focus areas. Some of the statewide and regional groups include:

- Governor Gregoire's Global Competitiveness Council and work groups.
- The Next Washington work groups.
- Washington Learns work groups.
- The Prosperity Partnership and work groups.

It is the specific charge of WDC to take a leadership role in conjunction with Snohomish County government, education, and economic development to assure our local workforce development system meets the needs of business and workers alike in the new, globally competitive environment. This coordinated work has been being conducted by the Blueprint Partnership and is a call to action developed by partners who are working together to effectively create and foster a healthy and vital economy.

The strategies we implement to maintain and extend our lead in the marketplace must be carefully chosen, monitored through performance data, and modified as our environment and experience change. As we move forward, we must extend our economic success to individuals and areas that are not yet enjoying the full benefit of our economic progress. Across the state and around the world, our workers, products, and companies will keep us moving toward the Next Washington.

*(Governor Chris Gregoire)*

The purpose of Blueprint 2015 is threefold: to lay groundwork for the development of a strategic work plan around the key industry clusters targeted for economic development, to make the case that Snohomish County is a region for the development of these clusters, and to provide a framework for strategies. This framework is organized into four categories:

1. Education and training strategies for meeting current workforce needs.
2. Data collection strategies for meeting current and future workforce needs.

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<sup>17</sup> (Snohomish County Citizens Cabinet on Economic Development, 2004)  
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3. Communication strategies for building ongoing linkages between industry, workforce development, economic development, and education.
4. Strategies focused on the development of career pathways and lattices from K-12 to community and technical colleges and 4-year colleges and universities.<sup>18</sup>

The Blueprint 2015 Steering Committee meets quarterly to review its work to date, make updates as appropriate, and develop a detailed action plan for the 4 strategies.

In this process, some of the ways in which WDC may, and in some instances, must utilize its resources to achieve Blueprint 2015 goals include, but are not limited to:

- Participating in state, regional, and local level committees and work groups.
- Convening and providing staff support to local level committees and work groups.
- Conducting labor market, skills gap, and related research and analysis.
- Convening and staffing industry skill panels.
- Providing industry with labor market and best-in-class information to improve productivity.
- Implementing tools acquired by the system such as the Work Readiness Credential, the Self-Sufficiency Calculator, and Individual Development Accounts.
- Partnering to develop and implement job, career, and resource fairs.
- Developing materials to increase student and worker awareness of career opportunities in targeted industry clusters.
- Increasing opportunities for access to postsecondary and continuing education and training in those clusters.
- Funding staff and other supports to improve student success and completion rates (including such things as financial support services, financial asset development services, assistive technology, and short-term training in topics such as financial literacy, entrepreneurship, and computer use) for U.S. and foreign-born students.
- Funding staff, and other supports to improve student transition between levels of education (starting with middle school) and into training-related employment.
- Improving productivity, wage progression, and career resiliency through the funding of lifelong training through various modalities including classroom-based, work-based, online, and hybrid training.
- Investing scarce training resources in industry-led, just-in-time training including on-the-job training and apprenticeships.
- Otherwise facilitating public-private partnerships that promote academic achievement and skills training in targeted industry clusters.
- Ensuring the workforce development system operates in compliance with Federal, State, and local statute, regulations, and policy.
- Ensuring the workforce development system is accountable and operates at optimal efficiency and effectiveness.

### **Capacity Needs**

The above focus and role requires WDC to develop and maintain capacity in several areas. These include:

- System infrastructure including centers, affiliate sites, and other portals as well as support of infrastructure maintenance and training staff.
- System products including education and training, staff, and other student/job seeker supports.
- System certification.
- Procurement of system contractors and other goods and services.
- Grant and contract management.
- Performance monitoring.
- Ongoing technical assistance.
- Professional development for staff throughout the system.

<sup>18</sup> (Workforce Development Council Snohomish County, 2008)  
Promoting a Globally Competitive Workforce for Snohomish County

- Equal Employment Opportunity compliance.
- Grievance processes.
- Compliance with statutes, regulations, and policies.
- Risk management.
- Human resources management.
- Fiscal management.
- Data management.
- Continuous improvement.
- Application to WSQA for a Baldrige Assessment.
- Collaboration with government, education, and economic development to attract, retain, and expand businesses and employment opportunities within targeted industry clusters.
- Convening and staffing of committees, work groups, and panels.
- Legislative and policy research and analysis as well as research into best-in-class performance.
- Acquisition of development venture capital.
- Outreach and communication to businesses, youth, job seekers, fund sources, and the community.

The remaining investments are essential to the creation of a best-in-class workforce intermediary that fulfills the following functions identified in *Expanding Opportunities for Businesses and Workers*:

- Serve a variety of functions (unlike single purpose organizations).
- Generate ideas and innovative approaches to respond to the needs of business and workers.
- Secure resources.
- Promote improved policies.
- Promote promising practices.
- Engage key stakeholders and resources.
- Build systems between organizations including business intermediaries, WorkSource Snohomish County (WorkSource) centers, faith-based and community organizations, and placement/temporary employment firms.
- Integrate funding streams, services, and information services.
- Improve coordination and decrease duplication.
- Expand the reach of local workforce development systems.
- Focus on two customers, business and workers.
- Coordinate services that go beyond job-matching to enhance the capacity of workers and employers.
- Provide and broker services.
- Manage quality.<sup>19</sup>

### **Planning Implications**

As may be seen from the above discussion, nations are increasingly interdependent in the global marketplace. In that marketplace, Washington is the most trade depended state in the U.S. and functions in the global marketplace as a small nation. While the U.S. still holds primacy in a number of key economic indicators, others make clear that the rest of world is catching up by making strategic and disciplined investments in research and development, infrastructure, education and workforce development, social services, and health care. Looking forward, this situation presents several challenges. The number of job openings is increasing as documented in the section entitled *100% Jobs Filled – Meeting Businesses’ Current and Emerging Needs*. Additionally, the number of jobs requiring skilled workers is increasing and the skills those workers need are multiplying. As may be seen in the section entitled *100% Employment – Providing Opportunity for All*, these challenges are exacerbated by a projected slowing of growth in the number of workers available to fill those jobs and a significant gap between the skills those workers will need and the skills of current students who will be tomorrow’s workers. The section on *100% Ever Increasing Productivity and Prosperity – Powering Our Economic*

<sup>19</sup> (Ray Marshall Center for the Study of Human Resources, 2005)  
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Engine examines the impact the lack of skilled workers is already having on the innovation, expansion, and productivity of business and the concomitant impact on the various facets of prosperity for workers and their families.

It is the specific charge of WDC to take a leadership role in conjunction with Snohomish County government, education, and economic development in assuring our local workforce development system is rising to this challenge to meet the needs of business and workers alike in the new, globally competitive environment. Some of the objectives and strategies addressed in the *Agenda for Action* related to this goal and analysis address the following questions:

1. What should be the role of the WorkSource system in achieving the goal of 100% global competitiveness?
2. How should WIA Title I-B Youth, Adult, and Dislocated Worker funds be used to realize that goal?
3. How should any WIA 10% funds be used to realize that goal?
4. What other partnerships, funds, and/or other resources should WDC seek out to realize that goal?

## **Goal 2 – 100% Jobs Filled – Meeting Businesses’ Current and Emerging Needs**

Our system’s current strengths and weaknesses related to the realization of our goal of achieving 100% jobs filled within this global competitiveness context are analyzed in the following section.

WDC is committed to achieving a 100% jobs filled rate by meeting the needs of businesses placing a job order in with the WorkSource system. The following analysis of the changing labor market in Snohomish County provides the foundation for WDC’s objectives and strategies for achieving this goal.

### **Labor Market Composition**

Snohomish County accounts for over 10% of the state population and is the third highest populated county behind King and Pierce Counties. Snohomish County had a population of 696,000 as of April 2008, an increase of nearly 15% from 2000. Chart 1 shows the dramatic rise in Snohomish County’s population from 1990 through 2006.

**Chart 1**<sup>20</sup>

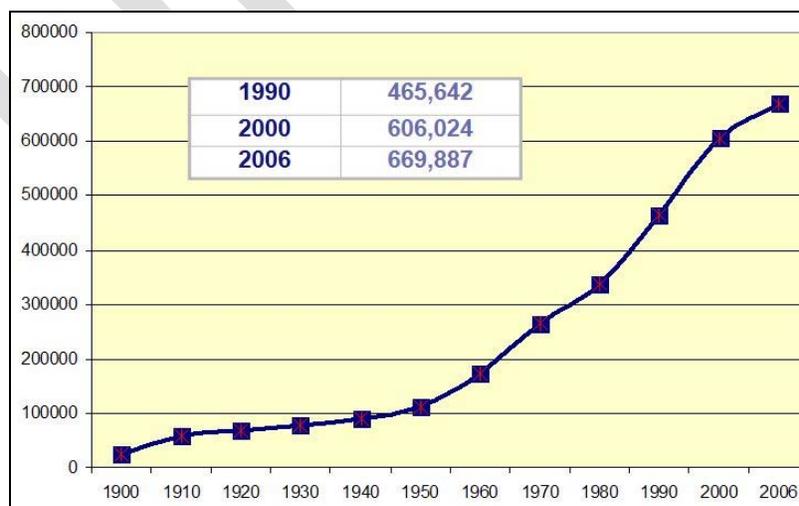


Table 1 shows Snohomish County population growth by city from 2000 through 2008.<sup>21</sup>

<sup>20</sup> (United Way of Snohomish County, 2008)

**Table 1<sup>22</sup>**

City	2000	2008	Percent Growth Rate
Arlington	11,927	17,050	43
Bothell (part)	13,965	15,730	9
Brier	6,383	6,485	2
Darrington	1,136	1,500	32
Edmonds	39,544	40,760	3
Everett	91,488	102,300	12
Gold Bar	2,014	2,210	10
Granite Falls	2,347	3,290	40
Index	157	160	2
Lake Stevens	6,361	14,560	129
Lynnwood	33,847	35,680	5
Marysville	25,315	37,060	46
Mill Creek	11,525	17,770	54
Monroe	13,795	16,550	20
Mountlake Terrace	20,362	20,930	3
Mukilteo	18,019	20,050	11
Snohomish	8,494	9,020	6
Stanwood	3,923	5,445	39
Sultan	3,344	4,550	36
Woodway	936	1,180	26
<b>Total</b>	<b>606,024</b>	<b>696,600</b>	<b>15</b>

Projections show the population of Snohomish County will grow nearly 2% annually. By 2025 the county will be home to over 930,000 residents.<sup>23</sup> Table 2 shows projected population growth by city from 2008 through 2025.

**Table 2<sup>24</sup>**

City	2008	2025	Percent Growth Rate
Arlington	17,050	27,000	58
Bothell (all)	15,730	51,565	N/A
Brier	6,485	11,085	71
Darrington	1,500	2,125	42
Edmonds	40,760	49,346	21
Everett	102,300	173,270	69
Gold Bar	2,210	3,500	58
Granite Falls	3,290	6,970	112
Index	160	190	19
Lake Stevens	14,560	46,125	217
Lynnwood	35,680	78,117	119

<sup>21</sup> Percent growth rate is determined using this calculation: present number - past number / past number \* 100.

<sup>22</sup> (Washington Office of Financial Management, 2008)

<sup>23</sup> (Washington State Employment Security Department, 2007)

<sup>24</sup> (Brooks, 2007)

Marysville	37,060	79,800	115
Mill Creek	17,770	72,321	307
Monroe	16,550	26,590	61
Mountlake Terrace	20,930	22,561	8
Mukilteo	20,050	36,920	84
Snohomish	9,020	14,535	61
Stanwood	5,445	8,840	62
Sultan	4,550	11,119	62
Woodway	1,180	1,340	14

### U.S. Migration to Washington

Figure 2 shows U.S. Migration to Washington from 1990 through 2007. It is clear that a majority of people move to Washington from California and Oregon. In terms of county to county migration, the large majority of people who move to Snohomish County do so from King County.

Figure 2<sup>25</sup>

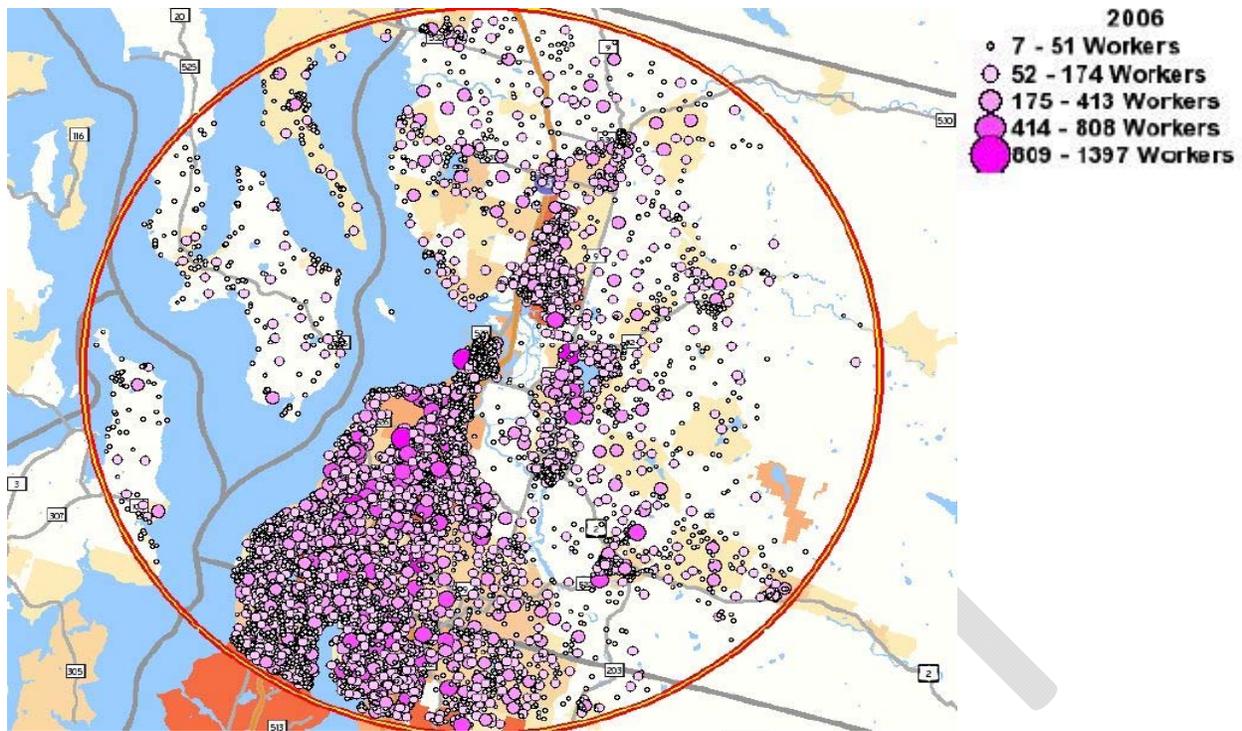


Snohomish County showed a labor force of nearly 380,000 in 2008. The labor force is projected to increase to over 411,000 by 2013.<sup>26</sup> Figure 3 shows worker distribution across Snohomish County.

<sup>25</sup> (United Way of Snohomish County, 2008)

<sup>26</sup> (Washington Department of Community, Trade, and Economic Development, 2008)  
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Figure 3<sup>27</sup>



Snohomish County is home to a number of large firms, both public and private, including the county's largest employers, The Boeing Company and Naval Station Everett. The top private employers (those employing more than 500 full-time employees) in Snohomish County are listed in Table 3 and the top public employers in Snohomish County are listed in Table 4.

Table 3<sup>28</sup>

Company	Number of Full-time Employees
Boeing	35,000
Providence Regional Medical Center	3,220
Premera Blue Cross	3,200
Zumiez	2,400
Tulalip Tribes Enterprises	2,300
Phillips Medical Systems	1,600
Verizon Northwest	1,500
Aviation Technical Services	1,400
Everett Clinic	1,400
CEMEX (Rinker Materials)	1,200
Fluke Corp. (Danaher)	1,000
Kimberly Clark	860
Twin City Foods	850
Wal-Mart	760
Frontier Financial Corp.	640
Canyon Creek Cabinets	610
C&D Zodiac	600
Eldec Corp. (Crane Aerospace)	600

<sup>27</sup> (U.S. Census Bureau, 2008)

<sup>28</sup> (Snohomish County Economic Development Council, 2008)

Intermec Technologies	500
Panasonic Avionics	500
Sonosite	500

**Table 4<sup>29</sup>**

<b>Company</b>	<b>Number of Full-time Employees</b>
Naval Station Everett	6,000
Washington State	3,000
Snohomish County Government	2,700
Everett School District	1,700
Edmonds School District	1,400
Marysville School District	1,250
Monroe Correctional Complex	1,200
City of Everett	1,200
Stevens Healthcare	1,200
Snohomish PUD	900
Everett Community College	560
Community Transit	550
Edmonds Community College	540

While Snohomish County is known for large companies such as Boeing and Kimberly-Clark, the majority of Snohomish County employers have fewer than five employees, as seen in Table 5. These companies, however, employ only 7% percent of our county’s workforce. Companies with twenty or more employees make up only 10% of the number of companies in the county, but employ 75% of employees in the county.

**Table 5<sup>30</sup>**

<b>Employees</b>	<b>Firms</b>	<b>Percent of Total</b>	<b>Employment</b>	<b>Percent of Total</b>
0-4	10,570	65.1	14,283	6.8
5-9	2,463	15.2	16,199	7.7
10-19	1,554	9.6	20,813	9.9
20-49	1,025	6.3	30,646	14.6
50-99	348	2.1	24,287	11.6
100-249	205	1.3	29,536	14.1
250-499	36	0.2	12,310	5.9
500-999	19	0.1	14,650	7.0
1000+	13	0.1	46,981	22.4

**Economic Development with Emphasis on Industry Clusters**

Snohomish County has nine industry clusters targeted for economic development, as seen in Figure 4. As shown in the figure, both the economic engine and infrastructure industry clusters need the support of the business services industry cluster in order to thrive. More than two-thirds of all Snohomish County firms are in one of the depicted industry clusters as are nine out of every ten workers.

<sup>29</sup> (Snohomish County Economic Development Council, 2008)

<sup>30</sup> (Employment Security Department)

Figure 4<sup>31</sup>



Below is a brief summary of each of the nine clusters. This section is intentionally brief, since comprehensive reports (including detailed citations) for each cluster can be found on the Blueprint 2015 website at [www.snocoblueprint.org](http://www.snocoblueprint.org). It is important to note that data is based on the North American Industrial Classification System (NAICS), the current industry classification standard in the United States. Firms self-select which classification to use. For example, the aerospace industry in Snohomish County consists of firms that self-identify as Aircraft Manufacturing, Aircraft Engine and Engine Parts Manufacturing, Other Aircraft Parts and Equipment Manufacturing, and Boat Building. Figures do not include firms that manufacture products and parts for various industries, including aerospace, but self-identify as something other than Aerospace Products and Parts Manufacturing. Employment figures would be higher if it were possible to gather data on every firm that does, indeed, support the aerospace industry. The same is true for other industry clusters.

**Tourism & Hospitality Services:** Tourism & Hospitality Services is Washington’s fourth largest cluster. In 2007, the cluster brought in \$14.8 billion, marking the fifth straight year of positive growth. 28,370 people work in Snohomish County’s Tourism & Hospitality Services cluster, most working in limited-service eating places and full-service restaurants. Gambling industries showed the most significant growth since 2007. The Tourism & Hospitality Services cluster is growing across. Demand for services, employees, and training programs continues to increase. In addition, the economic impact of the cluster continues to positively affect the region. With growth expected through 2015, the eyes of the world on the Puget Sound in 2010, and innovation, entrepreneurship, and sustainability high, Snohomish County is a great place for Tourism & Hospitality Services. The Tourism & Hospitality Services cluster focuses on: arts, entertainment, and recreation; accommodation and food services; convention centers; and visitor bureaus.

**Manufacturing:** Washington’s commercial aerospace industry is soaring to new heights. It is an industry whose influence can be felt on a global scale and one of the reasons why Washington is known around the world. If all firms that engage in aerospace manufacturing were included, it is estimated that Washington would have over 110,000 aerospace related workers and over 650 aerospace related firms. Washington’s aerospace industry contributes over \$36 billion in business activity and is critical to the economic vitality and prosperity of our state. The world’s most important wide-body jetliners—Boeing’s 777 and 787—are assembled in Washington. 35,000 people work in Snohomish County’s Manufacturing cluster, most

<sup>31</sup> (Workforce Development Council Snohomish County, 2008)  
Promoting a Globally Competitive Workforce for Snohomish County

working as aerospace engineers, computer software engineers, and aircraft mechanics and technicians. The Manufacturing cluster focuses on: aircraft manufacturing; aircraft engine and engine parts manufacturing; other aircraft parts and auxiliary equipment manufacturing; and boat building.

**Bio-Tech & Bio-Medical Devices:** Washington is one of the premier biotechnology centers in the world and one of the fastest growing research centers in the United States. 2,400 people work in Snohomish County's Bio-Tech & Bio-Medical Devices cluster, most working as scientists and technicians. This cluster has shown and continues to show growth and resiliency. With its collection of mature firms and success of start-up enterprises, Snohomish County is already a top ten biotechnology region in the nation. Snohomish County is committed to the continued success of the Bio-Tech & Bio-Medical Devices cluster and can expect good things to come as a result of those efforts. Bio-Tech & Bio-Medical focuses on: research and development in biotechnology; medical laboratories; and diagnostic imaging centers.

**Agri-Business:** Agriculture has been a major industry in Washington. In 2001, the value of Washington's food and agricultural production was \$5.6 billion and ranked twelfth in the nation. In 2006, record high values of production were set for apples, pears, potatoes, hay, onions, and nursery and greenhouse products. Washington ranks among the top ten states for 33 separate commodities. 2,205 people work in Snohomish County's Agri-Business cluster, most working as farmers and ranchers. Agri-Business is a small industry cluster, but one with growth potential if innovation, entrepreneurship, and sustainability remain a priority. Education and training, changing perceptions, and local government support within the cluster can help ensure that Agri-Business remains a key industry cluster in Snohomish County. The Agri-Business cluster focuses on: crop and animal production

**Education:** Education is a critical part of Washington's infrastructure that sustains and supports economic growth. Education and training at all levels is needed to build a workforce pipeline filled with skilled and talented individuals. 3,580 people work in Snohomish County's Education cluster; about 45% are teachers. Washington is home to 1,478 public elementary schools, 629 public middle schools, and 755 public high schools. In 2006, over one million students were enrolled in public K-12 schools versus over 78,600 enrolled in private schools. Over 100,000 students attend public 4-year colleges and universities; over 187,600 students attend public community and technical colleges. Growth in Education was strong from 1990-2005 and is projected to be moderate and steady in the coming years. The Education cluster focuses on: elementary and secondary schools; junior colleges; colleges, universities, and professional schools; business schools and computer and management training; technical and trade schools; other schools and instruction; and educational support services.

**Construction:** Construction supports every economic engine in Washington. In 2008, over 274,000 people worked in Washington's Construction cluster. While employment dropped in early 2008 as a result of a stalled housing market, nonresidential market is faring well. 31,000 people work in Snohomish County's Construction cluster, most working as carpenters, construction laborers, first-line supervisors, and painters. Despite Construction being in the midst of a short-term slow down, the cluster is holding strong and is projected to do so for many years to come. It is clear that Construction is a robust and rewarding field in which workers can benefit greatly. The Construction cluster focuses on: construction of residential buildings; construction of nonresidential buildings; utility system construction; land subdivision; highway, street, and bridge construction; other heavy and civil engineering construction; foundation, structure, and building exterior contractors; building equipment contractors; building finishing contractors; and other specialty trade contractors.

**Public Services:** Washington's Public Services cluster has been a consistent national leader. In 2008 Washington earned a prestigious ranking of A- by The Pew Center on the States for its performance in managing public resources. 37,000 people work in Snohomish County's Public Services cluster. 62% are employed by local government, 28% by state government, and 10% by federal government. Workers in Public Services have the opportunity to not only manage daily operations of federal, state, or local government, but establish visions for Snohomish County and make a positive lasting impact on the

community. Through their daily work activities, employees in this cluster have the unique opportunity to empower the residents of Snohomish County to raise their standards of living and qualities of life. The Public Services cluster focuses on: executive, legislative, and other general government support; justice, public order, and safety activities; administration of human resource programs; administration of environmental quality programs; administration of housing programs; administration of economic programs; space research and technology; and national security and international affairs.

**Health Care:** Health Care is one of the largest employment clusters in Washington. Of all clusters in Washington, Health Care has the greatest direct and total impact. Regardless of population density or industrial composition, Health Care is the leading or near leading industry in every region in the state. 27,041 people work in Snohomish County's Health Care cluster, most working as registered nurses. Despite this, many more nurses are needed to meet the growing demand for services. Health Care is a flourishing segment of Snohomish County's economy. Even as medicine advances technologically, Health Care practitioners remain the backbone of this cluster. Health Care workers at all levels of education and training can expect to be in demand. The Health Care cluster focuses on: offices of physicians; offices of dentists; other health care practitioners; outpatient care centers; home health care services; ambulatory services; general medical and surgical hospitals; psychiatric and substance abuse hospitals; specialty hospitals; nursing care facilities; residential mental retardation, mental health, and substance abuse facilities; community care facilities for the elderly; other residential care facilities; individual and family services; community food and housing, and emergency and other relief services; vocational rehabilitation services; and child day care services.

**Business Services:** The Business Services cluster is the most diverse of all clusters, as it is comprised of industries and occupations that provide a wide array of professional services to the business community. Success and growth in all other clusters depend upon a thriving Business Services cluster. 76,661 people work in Snohomish County's Business Services cluster, most working as real estate sales agents and real estate brokers. The Business Services cluster in Snohomish County is holding strong, in part due to the continued growth and prosperity of the Transportation and Information industries. Despite current news reports that portray a mixed economic picture for Business Services, the positive news must be allowed to shine. The local economy is stronger than expected, and Washington is still the 3<sup>rd</sup> best place in the nation for business. With future projections in mind, Business Services is indeed an excellent cluster in which to begin a career. The Business Services cluster focuses on: transportation; information; financial Services; real estate; professional services; management; and administrative services.

It is important to note that Blueprint 2015 research is primarily concerned with each industry cluster as it pertains to growth over the next decade. Research demonstrates that Snohomish County industry clusters have thrived in past years and show tremendous growth between now and 2015. However, that does not mean smooth sailing is ahead in the immediate future. The Snohomish County Herald provided a glimpse of what is to come for Snohomish County businesses in 2009, and it is clear that local firms are facing a challenging year. For example:

- **Tourism & Hospitality Services:** People will likely travel less in 2009, spending less at area restaurants, hotels, and attractions. Tourism across the country could fall to 2002 levels when post-September 11 travel declined steeply. The best case scenario is that tourism spending will remain at 2008 levels, though some around the county are bracing for up to a 5% drop in occupancy and sales of food and beverages. Snohomish County tourism does have a bit of a buffer from the economic woes of the nation, as Washington has a high percentage of in-state travel and tourism compared to other states.<sup>32</sup>

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<sup>32</sup> (Dunlop, 2008)

- **Manufacturing:** The year ahead could be the calm before the storm for jet makers. After losing about \$5 billion in 2008, airlines are facing \$2.5 billion in projected losses in 2009 and a flurry of delivery deferrals that could eat away at production in 2010.<sup>33</sup>
- **Education:** Due to a projected decrease in spending on education at the state level, schools may struggle to meet the needs of students in 2009. The state proposed carving \$406 million from elementary and secondary schools and teachers will not receive pay raises. Better news is that enrollment at community colleges is expected to increase in 2009 as a result of more workers seeking retraining. Also, efforts to plant the flag of the University of Washington in Snohomish County will continue.
- **Public Services:** Everett's horizon in 2009 is busy, as are the outlooks for Marysville, Lake Stevens, and Snohomish. Each of these cities is planning new buildings and major infrastructure investments as a way to plan for growth and increase business opportunities.<sup>34</sup>
- **Business Services - Banking:** 2009 is expected to be a year of great uncertainty for banks big and small. Community banks suffered losses in the sagging real estate market in 2009, and the mortgage crisis that battered the nation's biggest banks has spread to smaller ones. Local banks are planning to weather the storm by operating conservatively in 2009.<sup>35</sup>
- **Business Services – Transportation:** The state is planning 15 road projects, with more planned in anticipation of an economic stimulus infrastructure package. More good news is that Paine Field is set to host 2 additional passenger service airlines. Bad news is that the widening of Highway 522 from the Snohomish River to Monroe will likely be delayed until 2015. Also, the state is considering changing how the state ferry system is operated, potentially cutting service and constructing fewer boats.<sup>36</sup> An interesting by-product of aerospace losses is an anticipated increase in business at the Port of Everett. The Port of Everett expects a good year in 2009, partly because of all the back orders at Boeing, which ships many of its part to Everett from Asia. While some of the port's lines of business will slow, other are expected to expand.<sup>37</sup>
- **Retail:** Retailers anticipate conservative spending among consumers in 2009. In turn, that is how retailers will be hiring. Retailers have not a whirlpool of economic hardship before, but businesses and consumers remain optimistic and hope for a quick start to the economy in 2009.<sup>38</sup>

As the national economic climate changes rapidly, 2009 will bring a lot of uncertainty to Snohomish County. But one thing is certain; it's not the time to stop economic development. The recession doesn't last forever, and the Puget Sound region seems to be weathering the economic downturn better than the rest of the nation.  
*(Deborah Knutson, Economic Development Council of Snohomish County)*

## **Job Growth**

Immediate job growth is not in the forecast, and a tough time is expected to continue for job seekers in 2009. Washington's unemployment rate has nearly caught up to the U.S. unemployment rate, after lagging behind the U.S. for the first three quarters of 2008. Washington's 7.1% unemployment rate for December 2008 reflects the largest single monthly rate increase reported since 1976; the November 2008 unemployment was 6.3% while the unemployment rate one year ago was 4.6%. It is clear that Washington's labor market is not immune to the national recession. Snohomish County is no exception. Snohomish County's unemployment rate was 7.1% in December 2008, compared to 4.1% in December 2007 and 4.3% in December 2006. Washington

<sup>33</sup> (Dunlop, 2008)

<sup>34</sup> (Stevick & Cornfield, 2009)

<sup>35</sup> (Dunlop, 2008)

<sup>36</sup> (Stevick & Cornfield, 2009)

<sup>37</sup> (Dunlop, 2008)

<sup>38</sup> (Dunlop, 2008)

also recorded a monthly job loss of 22,200 jobs. Unlike past recessions when job loss occurred in just one or two industries, job loss in 2008 occurred in nearly every industry in the state. Again, no region of the state is immune. In addition to high unemployment rates and tremendous job loss, the 4,500 vacant jobs that do exist in Snohomish County are not enough to meet the needs of all individuals seeking employment.<sup>39</sup>

While the job market will remain tight, many companies continue to hold job events and could hire people in the spring.<sup>40</sup> Further, as indicated earlier, Snohomish County industry is expected to boom in the long term. Chart 2 shows how each cluster ranks in comparison with other clusters in regards to size and growth.

**Chart 2<sup>41</sup>**

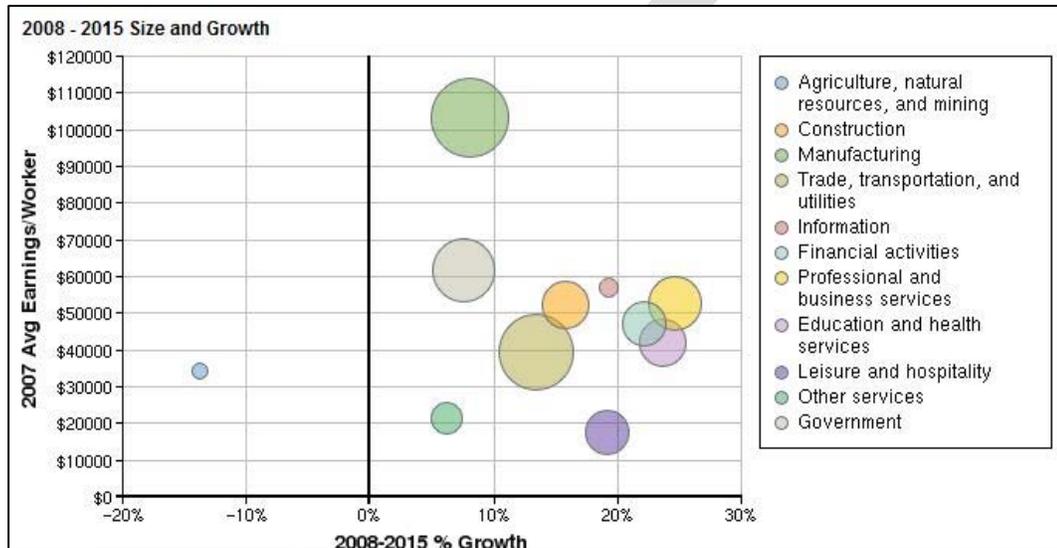


Table 6 shows quarterly workforce indicators from 2007 by industry cluster.

**Table 6<sup>42</sup>**

Industry	Net Job Flows	Job Creation	New Hires	Separations	Turnover	Average New Hire Earnings
Tourism & Hospitality Services	-99	1,630	7,347	8,124	16.3%	\$1,357
Manufacturing	235	1,261	3,184	3,316	4.6%	\$3,754
Bio-Tech & Bio-Medical Devices	N/A	N/A	N/A	N/A	N/A	N/A
Agri-Business	-173	105	376	702	16.8%	\$2,417
Education	1,220	1,299	1,444	1,193	4.8%	\$2,868
Construction	-1,947	1,367	5,502	8,249	16.1%	\$3,124
Public Services	-88	78	516	702	5.1%	\$2,857
Health Care	92	1,050	3,628	3,913	9.7%	\$2,542
Business Services	-1,282	2,364	9,348	11,932	15.6%	\$2,622

<sup>39</sup> (Washington State Employment Security Department, 2009)

<sup>40</sup> (Dunlop, 2008)

<sup>41</sup> (Economic Modeling Specialists, Inc, 2008)

<sup>42</sup> (U.S. Census Bureau, 2008)

Table 7 shows forecasted job growth, by industry, from 2008 through 2018. For a detailed depiction of job growth by sub-industry and occupations, refer to comprehensive reports for each cluster on the Blueprint 2015 website at [www.snocoblueprint.org](http://www.snocoblueprint.org).

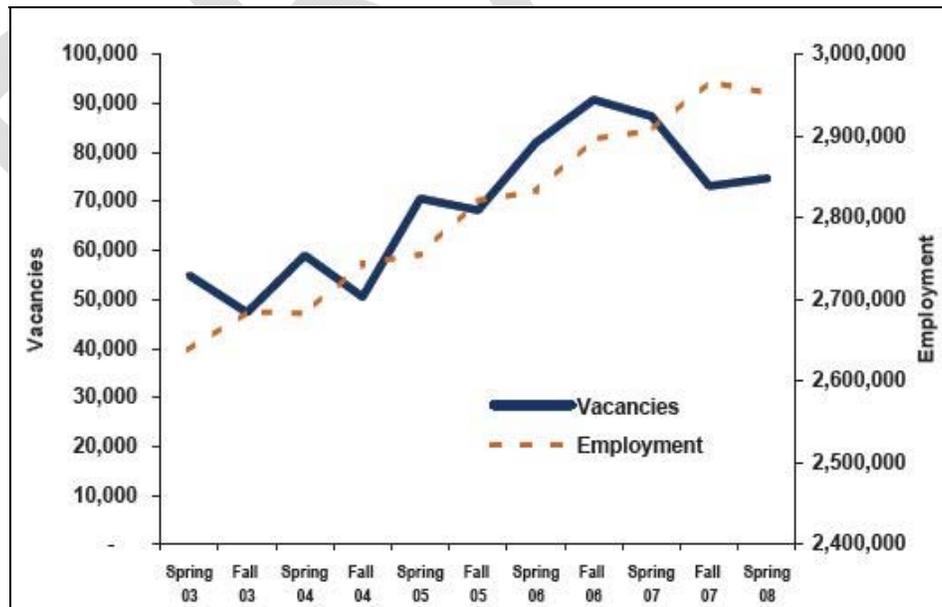
**Table 7<sup>43</sup>**

Industry	2008 Jobs	2018 Jobs	% Change	Average Earnings per Worker
Tourism & Hospitality Services	28,370	33,806	19%	\$17,494
Manufacturing	34,014	37,787	11%	\$128,238
Bio-Tech & Bio-Medical Devices	2,438	3,313	36%	\$220,536
Agri-Business	3,116	2,643	-15%	\$31,268
Education	3,580	4,406	29%	\$23,783
Construction	31,632	36,612	16%	\$52,383
Public Services	36,938	40,554	10%	\$58,713
Health Care	27,041	33,328	23%	\$44,417
Business Services	77,661	93,961	25%	\$51,377

**Job Vacancies**

In the spring of 2008, Washington companies were attempting to fill an estimated 74,744 positions. This represented a slight rise over last fall when there were an estimated 73,180 openings. The number of vacancies in an economy is a good indicator of economic health, as firms' hiring plans are dependent on their outlook. During periods of economic growth, firms typically seek to hire more workers in response to increased general demand, while they cut back in hiring during downturns. Vacancies track closely with overall rising employment in Washington, until recently, as seen in Chart 3. While overall employment rose through the fall of 2007, unfilled positions dropped off noticeably. However, in 2008 employment vacancies displayed a merging trend as employment was down a bit and vacancies rose moderately.<sup>44</sup>

**Chart 3<sup>45</sup>**



<sup>43</sup> (Economic Modeling Specialists, Inc, 2008)

<sup>44</sup> (Washington State Employment Security Department, 2008)

<sup>45</sup> (Washington State Employment Security Department, 2008)

Of all the job vacancies in Washington, 8% were in Snohomish County. This is in line with Snohomish County's share of employment in Washington, which is 9%. Chart 4 and Table 8 shows job vacancies by Workforce Development Area.

Chart 4<sup>46</sup>

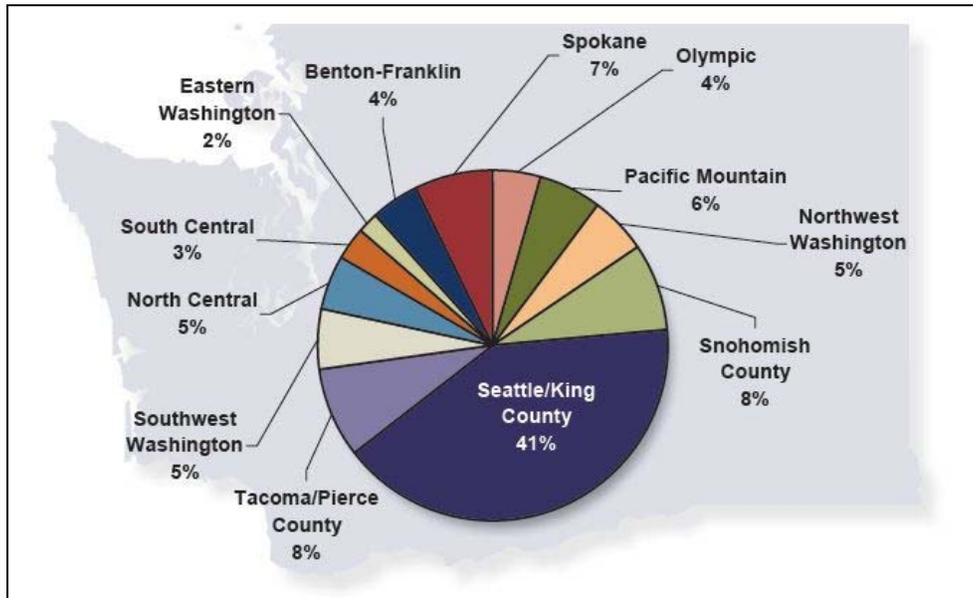


Table 8<sup>47</sup>

Workforce Development Area	April 2008 Job Vacancies	Area's Share of Total Vacancies	Area's Share of Total Employment	Vacancy Rate	Median Wage for Vacant Positions
Olympic	3,287	4%	3%	4%	\$8.50
Pacific Mountain	4,427	6%	5%	4%	\$10.00
Northwest Washington	3,950	5%	5%	3%	\$9.00
<b>Snohomish County</b>	<b>5,905</b>	<b>8%</b>	<b>9%</b>	<b>3%</b>	<b>\$10.00</b>
Seattle/King County	30,621	41%	42%	3%	\$11.00
Tacoma/Pierce County	6,269	8%	9%	3%	\$9.25
Southwest Washington	4,090	5%	6%	3%	\$10.50
North Central	3,634	5%	3%	4%	\$8.40
South Central	2,303	3%	4%	2%	\$9.00
Eastern Washington	1,495	2%	2%	3%	\$9.25
Benton-Franklin	3,270	4%	3%	4%	\$9.00
Spokane	5,478	7%	7%	3%	\$10.00
Multi-County	16	0%	0%	0%	--
	<b>74,744</b>	<b>100%</b>	<b>100%</b>	<b>3%</b>	<b>\$10.00</b>

The health care industry had by far the most vacancies, with agriculture matching its' vacancy rate of 5%. High numbers of openings in the health care field have been the historical norm. These vacancies were likely to be for permanent positions, require post-secondary education, certification, and previous experience. Health care vacancies were almost exclusively due to turnover. Retail and professional and

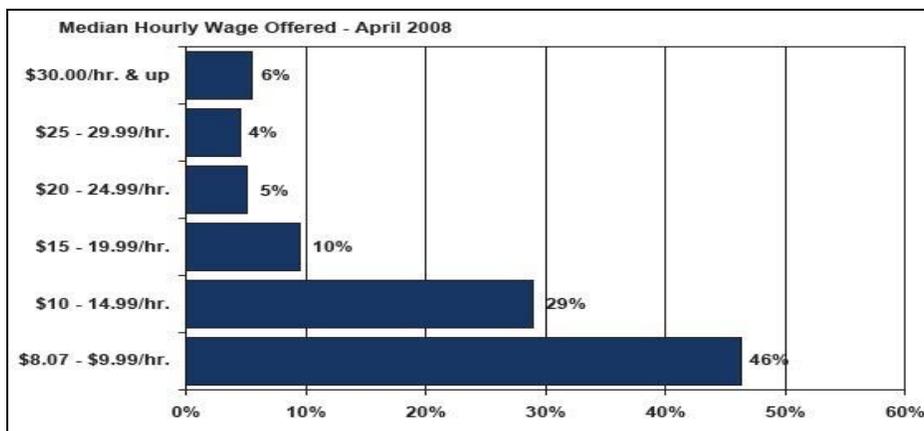
<sup>46</sup> (Washington State Employment Security Department, 2008)

<sup>47</sup> (Washington State Employment Security Department, 2008)

technical services saw the biggest fall in vacancies between fall 2007 and fall 2008. Accommodation and food services, agriculture, and education had the biggest increase in vacancies.<sup>48</sup>

Chart 5 shows vacancies by pay range during April 2008. As wage range rise, the percent of vacancies falls in almost every case. Note that many openings do not report wages, and when offered a wage range, the low end is used in calculations.<sup>49</sup>

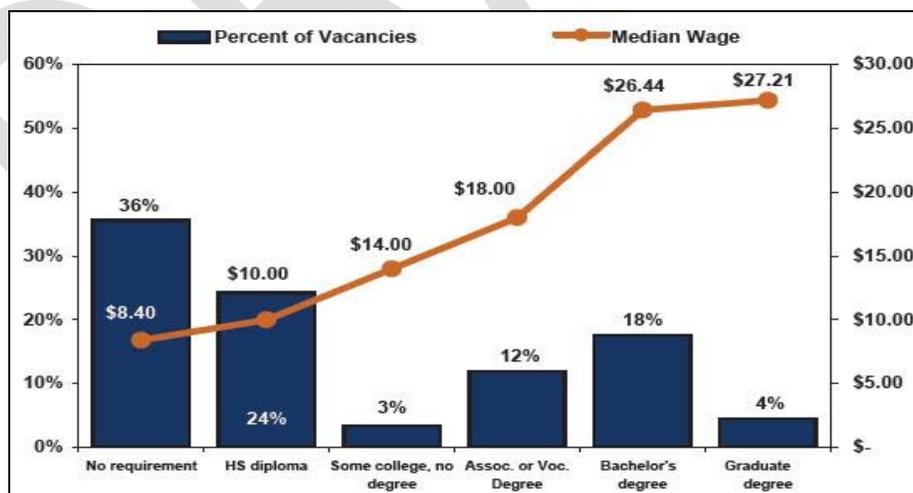
**Chart 5<sup>50</sup>**



### Job Skill Requirements

It is readily apparent that higher wages correlate closely with more education. Chart 6, including both vacancies and wage by educational requirements, demonstrates this point. The median wage rises with every higher level of education. While higher educational requirements typically bring higher wage offers, the largest number of openings was not among positions requiring education. Instead, 36% of openings – more than any other educational requirement – had no educational requirements. The next most common educational requirement was for a high school diploma followed by a bachelor’s degree.<sup>51</sup>

**Chart 6<sup>52</sup>**



<sup>48</sup> (Washington State Employment Security Department, 2008)

<sup>49</sup> (Washington State Employment Security Department, 2008)

<sup>50</sup> (Washington State Employment Security Department, 2008)

<sup>51</sup> (Washington State Employment Security Department, 2008)

<sup>52</sup> (Washington State Employment Security Department, 2008)

A list of job vacancies by major occupation group reveals that Washington positions represent a mix of skilled and unskilled positions, as seen in Table 9.

**Table 9<sup>53</sup>**

Major Occupation Group	Estimated Vacancies	Requiring Education Beyond High School/GED	Requiring License or Certificate	Requiring Previous Experience
Food Preparation and Serving Related	8,772	4%	73%	35%
Health Care Practitioners and Technical	8,001	93%	95%	91%
Office and Administrative Support	6,884	20%	18%	59%
Management	6,562	73%	28%	87%
Sales and Related	6,368	10%	18%	39%
Transportation and Material Moving	3,903	8%	60%	43%
Education, Training, Library	3,735	79%	83%	89%
Production	3,382	13%	10%	46%
Computer and Mathematical	3,358	82%	15%	94%
Personal Care and Service	3,249	27%	45%	51%
Building and Grounds Maintenance	3,060	1%	10%	66%
Health Care Support	2,990	51%	77%	63%
Construction and Extraction	2,689	13%	25%	61%
Architecture and Engineering	2,546	85%	30%	88%
Business and Financial Operations	2,467	68%	25%	85%
Installation, Maintenance, Repair	1,991	29%	40%	77%
Community and Social Services	1,415	59%	55%	62%
Arts, Design, Entertainment, Sports, Media	1,049	43%	52%	82%
Farming, Fishing, Forestry	925	1%	3%	4%
Protective Services	671	13%	64%	47%
Life, Physical, Social Science	568	72%	29%	78%
Legal	162	95%	72%	82%
	<b>74,744</b>	<b>40%</b>	<b>45%</b>	<b>64%</b>

### **Job Skill Gaps**

A recent assessment conducted by the Workforce Board invited businesses and industry across Washington to participate in a survey that featured detailed questions about employee skills gaps. This assessment is the only comprehensive statewide survey of its kind, shining a light on common workforce issues across a wide range of industries. In the fall of 2007, roughly 2,100 employers responded to the mailed survey. Overall, 60% of hiring employers in Washington reported difficulty in hiring qualified applicants. This is an increase of 9% since 2006 and 15% since 2003. A growing economy increased the number and percent of firms that faced difficulty in hiring workers with the education and occupational skills required for available positions.<sup>54</sup> The tables below provide results for Snohomish County firms and organizations.

**Table 10 – How did your firms/organization respond to the difficulty of finding qualified candidates?**

All Employers	Yes	No	Don't Know	Not Reporting
Did not fill the opening	18%	23%	8%	51%
Hired a less qualified candidate	24%	19%	6%	51%
Outsourced the work/service	8%	29%	12%	51%

<sup>53</sup> (Washington State Employment Security Department, 2008)

<sup>54</sup> (Workforce Training and Education Coordinating Board, 2008)

Increased overtime for employees	33%	10%	5%	51%
Increased recruiting efforts	37%	5%	7%	51%
Increased wages to attract applicants	18%	21%	10%	51%

**Table 11 – In general, how much difficulty has your firm/organization experienced in the last 12 months finding qualified applicants with the different education levels listed below?**

All Employers	Had Difficulty	No Difficulty	Don't Know	Not Reporting
Neither a high school diploma or GED	20%	8%	21%	51%
High school diploma or GED	18%	15%	16%	51%
Some college course work	22%	4%	23%	51%
Vocational certificate	23%	4%	22%	51%
Vocational associate's degree	10%	3%	37%	51%
Academic associate's degree	8%	4%	37%	51%
Baccalaureate degree	8%	4%	37%	51%
Master's degree	6%	3%	40%	51%
Doctoral or professional degree	4%	2%	43%	51%

**Table 12 – How much difficulty has your firm/organization had finding employees with the following skills?**

All Employers	Had Difficulty	No Difficulty	Don't Know	Not Reporting
Reading	17%	28%	4%	51%
Writing	26%	19%	4%	51%
Math	29%	12%	8%	51%
English as a Second Language	24%	13%	12%	51%
Occupation-specific	43%	2%	4%	51%
Computer	22%	10%	17%	51%
Teamwork	25%	19%	5%	51%
Problem solving or critical thinking	35%	11%	3%	51%
Communication	37%	11%	1%	51%
Positive work habits and attitudes	36%	13%	1%	51%
Ability to accept supervision	33%	14%	2%	51%
Ability to adapt to changes	36%	11%	2%	51%

**Table 13 – How much difficulty has your firm/organization experienced with entry-level workers hired in the last 6 months demonstrating the following skills?**

All Employers	Had Difficulty	No Difficulty	Don't Know	Not Reporting
Speaks so other can understand	14%	27%	8%	51%
Listen actively	25%	18%	6%	51%
Read with understanding	19%	20%	9%	51%
Observe carefully	26%	12%	11%	51%
Cooperate with others	16%	28%	5%	51%
Resolve conflict and negotiate	32%	11%	5%	51%
Use math to solve problems	22%	16%	11%	51%
Solve problems and make decisions	38%	5%	7%	51%
Take responsibility for learning	35%	9%	4%	51%
Use information and technology	18%	18%	14%	51%

A more detailed analysis of the specific skills lacked by the current workforce is provided in the section entitled *100% Employment- Providing Opportunity for All*.

## **Expanding the Supply of Youth and Young Adult Workers**

As may be seen from the above discussion, it will be essential to create a pipeline of youth and young adults who have the requisite skills if the goal of 100% jobs filled is to be achieved. In short, it is critical that all youth are in the labor force. Determining how to best invest scarce Federal resources to achieve that end has been a long and arduous process as shown in the indented paragraphs below, taken directly from *Reconnecting Young Adults 18-24: A Report to the Washington State Legislature*, which provide an excellent and succinct analysis of the history of Federal youth employment and training program investments.

In 1982, Congress directed federal funds to provide employment and training services to economically disadvantaged youth under the Job Training Partnership Act (JTPA). A 1994 long-term study of JTPA by Abt Associates, a social policy research organization, found discouraging results. There were no statistically significant positive effects for out-of-school youth (either male or female) from classroom training, on-the-job training, job search or other services. Some researchers and JTPA practitioners questioned the random sampling and comparison group techniques used in the study. The evaluation did not assess the design of the programs nor the quality of services. The evaluation results, nevertheless, led many national policymakers to think that “nothing works for these kids.” Responding to the Abt study, and a 1995 U.S. Department of Labor report that stated JTPA youth programs were unsuccessful in raising long-term employment or earnings for youth, Congress significantly cut appropriations for the JTPA Out-of-School Youth Programs. Congress eliminated the Summer Youth Employment Program in 1998.

In the second half of the 1990s, practitioners, researchers, and policymakers began to point out that the employment and training components in the key federal programs had been maladapted to the needs of disconnected youth.

In 1997, the Levitan Youth Policy Network (Network) began to advocate for an integrated and comprehensive service delivery system among community partners to make a difference in disconnected lives. Leaders in the Network realized that this stage of development is critical and that young people must be engaged in preparing for their future with the support of caring competent adults. The Network recommended seven “principles” in youth programs:

1. Each young person needs to feel that at least one adult has a strong stake and interest in his or her labor market success.
2. Each young person must sense three things: that the activity or program has strong and effective connections to employers; that placing the young person into a paid position with one of those employers as soon as possible is of the highest priority; and that the initial job placement is one step in a continuing and long-term relationship with the program or initiative to advance the young person’s employment and income potential.
3. Each person must feel at each step of the way the need and opportunity to improve his or her educational skills and certification.
4. Each person must feel that the program or initiative will provide support and assistance over a period of time—perhaps up to several years—that may include several jobs and several attempts at further education (brief, time-limited programs for youth that pointed only toward a job placement achieved little success).
5. Effective connections are needed between the program and external providers of basic supports such as housing, counseling, medical assistance, food, and clothing.
6. The program requires an “atmosphere” buttressed by specific activities that emphasize civic involvement and service—in short, an extension of practical caring beyond self, family, and friends.

7. Motivational techniques are needed, such as financial and other incentives for good performance, peer group activities, and leadership opportunities.

These seven principles were considered as Congress worked to design JTPA's successor, the Workforce Investment Act (WIA) of 1998. WIA aimed to move JTPA's patchwork system toward a more comprehensive approach for serving disadvantaged youth. WIA consolidated JTPA's year-round and summer youth programs into a single program that supports services for low-income youth who are between the ages of fourteen and 21 and who face barriers to employment. In addition, WIA encouraged communities to develop a clearer picture of the diverse array of agencies and organizations, public and private that are critical to youth development.

The purpose of the WIA youth program is to provide effective and comprehensive activities to in-school and out-of-school youth seeking assistance in achieving academic and employment success. The Act described a new service strategy: 1) preparation for postsecondary educational opportunities, in appropriate cases; 2) strong linkages between academic and occupational learning; 3) preparation for unsubsidized employment, in appropriate cases; and 4) effective connections to intermediaries with strong links to the job market and local and regional employers.

WIA requires that ten program elements, including youth development activities, be made available to eligible youth:

1. Tutoring, study skills training, and instruction, leading to completion of high school, including dropout prevention strategies.
2. Alternative school services.
3. Summer employment opportunities that are directly linked to academic and occupational learning.
4. Paid and unpaid work experiences, including internships and job shadowing.
5. Occupational skill training.
6. Leadership development opportunities, which may include community service and peer-centered activities encouraging responsibility and other positive behaviors during non-school hours.
7. Support services.
8. Adult mentoring for the period of participation and a subsequent period, lasting at least a year long.
9. Follow up services for at least a year after completion.
10. Comprehensive guidance and counseling, which may include drug and alcohol abuse counseling and referral.<sup>55</sup>

If the growing pipeline issues facing business are to be addressed, strategies must be in place to ensure that three groups of youth are provided with quality programs and options: 1) youth who are attending and progressing in school but who graduate without the skills needed to succeed in postsecondary education and/or employment, 2) youth who are on the verge of dropping out of school, and 3) youth who have dropped out of school.

To address the needs of all three groups of youth, effective student success, dropout prevention, and dropout retrieval efforts must be part of a sustained, well planned workforce development system. These programs must deliver relevant education, provide guidance and counseling, monitor student progress in

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<sup>55</sup> (Workforce Education and Training Coordinating Board, 2008)  
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real time, provide access to nonacademic support, tailor individual plans and targeted strategies for individual students, and include administrative support to partner with families and the community.<sup>56</sup> However, the reality is that student success, dropout prevention, and retrieval programs exist in a piecemeal fashion and current state regulations do not provide clear authority for the expenditure of education resources on these activities. As a result, many school districts do not have dropout prevention strategies in place and many communities have no way to reengage youth and young adults who have dropped out of school.

WIA Youth Program resources may clearly be used to serve all three groups of youth, provided at least 95% of the youth served are also members of low-income families. At least 30% of the WIA Youth Program funds must be reserved, by law, for service to out-of-school youth which may include youth who have dropped out of school and youth who have a high school diploma or a GED certificate but read and/or perform computations below the ninth grade level. Locally, this investment has ranged from 35-50% and has been focused specifically on youth who have dropped out of school.

Statewide, in 2007, the WIA Youth Program served 3,110 Washington youth aged fourteen through 21. Of the youth served, 794 were nineteen to 21. The WIA Adult Program served a significant segment of young adults. In 2007, the WIA Adult Program served 831 youth aged eighteen to 24, or 21% of all program participants. That there has been significant learning from the long history of Federal investments in youth programming is reflected in the fact that, in all cases, services have positive long-term net impacts on employment, hourly wages, hours worked, and earnings.<sup>57</sup>

Despite the success of WIA programs in serving all three groups of youth, thousands more young people are in need of services to ensure they stay in or return to school and learn the skills needed to succeed in further education, work, and life. An estimated 56,308 youth and young adults who are 19 to 24 are both unemployed and out of school. Many thousands more are at danger of becoming disconnected or graduating from high school with inadequate skills, no prospects, and no plans for the future.<sup>58</sup>

There has been a precipitous decline in Federal investments in youth programs since the 1980s. Given the current scarcity of WIA funds, it is important to optimize their use for maximum impact and to examine if and how that impact can be greater. This includes identifying and replicating best-in-class practices for all three groups of youth and making difficult decisions about how to allocate resources among them within statutory parameters. It also includes utilizing WIA funds to maximum effect by leveraging them with other funds.<sup>59</sup>

The state-funded Building Bridges program has been designed to address the needs of the first group of youth. It is currently operating in select school districts and is slated for reductions in the Governor's proposed budget. In Snohomish County, the program is operating in four school districts: Everett Public Schools, Granite Falls School District, Marysville School District, and Stanwood-Camano School District. WDC has been partnering with Everett Public Schools on dropout prevention, intervention, and retrieval services using WIA 10% Program and Building Bridges funds for several years and the results of this low cost per participant program have been very successful for students who are in school but struggling to succeed. The program is now being replicated in the Marysville and Stanwood-Camano School Districts and Granite Falls School District has joined in partnership with these districts to improve student performance, retention, and on-time graduation rates.

WDC has also been partnering with the Arlington, Edmonds, and Lakewood School Districts on providing comprehensive dropout prevention and intervention services to the second group of youth, that is, youth who are at risk of dropping out of school, for several years as well using WIA Title I-B Youth

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<sup>56</sup> (Building Bridges State-Level Workgroup on Dropout Prevention, Intervention, and Retrieval, 2008)

<sup>57</sup> (Workforce Education and Training Coordinating Board, 2008)

<sup>58</sup> (Workforce Education and Training Coordinating Board, 2008)

<sup>59</sup> (Workforce Education and Training Coordinating Board, 2008)

Program funds. The programs funded have been multi-year, comprehensive programs that offer all ten program elements, described above. These programs have been successful at improving success and retention for students facing significant challenges. Since these programs are addressing complex needs over the course of years, they are considerably more costly than the Building Bridges program model. They are also serving as a second tier “safety net” for students who need more support than the Building Bridges model provides.

WDC also subcontracts WIA Title I-B Youth Program funds to the Center for Career Alternatives which operates a comprehensive program for youth who have dropped out of school from the WorkSource Youth Center. This center, one of the first of its kind in the nation, offers services to meet youth needs in all of the research-based life domains recognized by the WDC’s Youth Council as critical to holistic youth development. It, too, has been extremely effective in achieving the desired outcomes. Given the extreme complexity of the issues faced by the youth served in multiple life domains, it has the highest cost per participant.

In an effort to determine what works for this third group of youth, the Washington State Legislature recently passed Senate Bill 6261 calling the Workforce Education and Training Coordinating Board to examine programs to help young people between eighteen and 24 years of age become successful in the workforce. The Workforce Education and Training Coordinating Board was also charged with making recommendations to improve policies and programs in Washington. Results of the study clearly demonstrate that there are a number of actions that must be taken to ensure all young people are connected to the workforce and are ready to work.

According to *Reconnecting Young Adults 18-24: A Report to the Washington State Legislature*, the age span from 18 to 24 is a critical one for educational and labor market development, and the time to lay the foundation through work and learning for successful labor market participation and civic responsibility. However, one-third of unemployed Washingtonians are young adults, which is a troubling figure given that young adults account for just 16% of the overall working population. Washington’s minority populations have a greater share of unemployed young people than their percentage of the population. For example, African Americans have twice as many unemployed young people than their share of the population, as do those who describe themselves as multiracial. The high unemployment rate for youth is expected to worsen as Washington, and the nation, experiences a recession. Complicating matters is the fact that three out of four unemployed young adults do not go beyond high school or obtain a GED.<sup>60</sup>

The number, size, and intractability of many of our nation’s problems have obscured our view of an entire generation of youth that stands in silent danger of being lost to the country and to themselves – their talent and energy wasted, their hopes muted, and their promise unrealized because they live in a generation that has not found its time or place in this one.

*(Reconnecting Young Adults 18-24: A Report to the Washington State Legislature)*

The study identified several programs that are successful at addressing these issues. YouthBuild offers high school dropouts with an avenue to return to school and obtain a GED and occupational skills in the construction industry but is not available in our community. Washington Service Corps/AmeriCorps engages young people in full-time service projects which benefit the community, and provides participants with a living allowance and educational scholarship. However, this program only serves a handful of young adults in Snohomish County. Youth centers such as the WorkSource Youth Center, described above, and YouthSource in Renton co-locate a range of youth-serving agencies at one site, sharing staff and blending resources. While highly effective, these centers serve a fraction of youth and

<sup>60</sup> (Workforce Education and Training Coordinating Board, 2008)  
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young adults in need of their services. These and other best practice programs share the following elements of success:

- Youth service providers hire highly experienced staff with an extensive knowledge and connection to the local business community. They establish an excellent reputation among employers. They work carefully with partner agencies to foster collaboration so that packaged services are comprehensive.
- Programs connect with external providers of basic supports such as housing and counseling to address mental health, youth offender, and substance abuse issues.
- Incentives such as paid work experience and computer literacy classes help youth engage in skill building activities and avoid risk-taking behavior.
- Basic remedial education instruction is offered in a practical context by integrating ABE/ESL with occupational skills training. Innovative solutions are found for youth so they can enroll in effective alternative education programs with pathways to postsecondary education and employment always in mind.
- Young adults have at least one caring adult committed to their long-term labor market success.
- Young adults receive ample opportunities for leadership development through community service projects that encourage responsibility, positive behaviors, teamwork, management, communication, and civic empowerment.
- Program supports continue after young adults leave a program.<sup>61</sup>

These programs are all successful. They are also all expensive, ranging from \$4,500 per youth per year in WIA funds for the services offered at the WorkSource Youth Center to \$18,000-\$20,000 per youth per year for the YouthBuild and AmeriCorps Programs.

The Workforce Education and Training Coordinating Board has recommended additional funding given that the WIA Youth Program reaches only 3% of disconnected youth in the state. However, it is unlikely that supplemental state funding will be forthcoming in the near future.

Another paper, *Training Employment and Guidance Notice (TEGN) Number 3-04*, issued by the United States Department of Labor Employment and Training Administration informs local areas of its strategic vision to serve youth under WIA which includes focusing resources on the second and third groups of youth. The vision reads, “Out-of-school youth (and those most at risk of dropping out) are an important part of the new workforce supply pipeline needed by businesses to fill job vacancies in the knowledge economy. WIA-funded youth programs will provide leadership by serving as a catalyst to connect these youth with quality secondary and postsecondary educational opportunities and high-growth and other employment opportunities.”<sup>62</sup>

The TEGN goes on to explain strategies the Employment and Training Administration will use to achieve its vision:

- Focus on alternative education – Emphasis on providing leadership to ensure that youth served in alternative education programs receive a high quality education that adheres to state standards.
- Meeting the demands of business, especially in high-growth industries and occupations – Emphasis on investing WIA youth resources on demand-driven programs that ensure youth obtain the skills needed by businesses so they can succeed in the 21<sup>st</sup> century economy.
- Focus on the neediest youth – Emphasis on prioritizing investments that serve youth in foster care, those aging out of foster care, youth offenders, children of incarcerated parents, and migrant youth.

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<sup>61</sup> (Workforce Education and Training Coordinating Board, 2008)

<sup>62</sup> (Employment and Training Administration, 2004)

- Focus on improved performance - Emphasis on implementing key initiatives to ensure that funding for youth programs is performance-based and that systems and programs are focused on outcomes.<sup>63</sup>

As explained above, effective programs exist for serving youth with complex life issues who are at high risk of dropping out of school and have dropped out of school. They are also costly and can serve relatively few youth. Effective and less costly programs also exist for youth who are in school and struggling to succeed.

It is incumbent upon each local Workforce Development Council to determine how to balance investments to meet industry's need for skilled labor and the needs of youth in all three groups with very scarce resources to the benefit of all.

### **Planning Implications**

As may be seen from the above discussion, despite a current economic downturn, the labor market is forecasted to grow through 2015. Key industry clusters are also on the leading edge of increasing productivity through innovations in technology, processes, and goods and services, making the need for skilled workers absolutely critical to continued growth. These clusters also drive the expansion of other sectors and the creation of still more jobs.

*100% Global Competitiveness – A New Context* describes the impact this situation is already having on the position of the U.S. and Washington in the global marketplace and identifies actions other nations facing similar challenges are taking to reverse these trends.

Looking forward, the challenges presented by this situation will only intensify. Not only is the number of job openings increasing, the number of jobs requiring skilled workers are increasing and the skills those workers need are multiplying. If we are to achieve 100% jobs filled, we must address the issues faced by in-school youth, youth at risk of becoming disconnected, and youth who are disconnected and ill prepared for work and life in our community. We must also find ways to maximize the impact of the investment of Workforce Investment Act funds to creating a supply of skilled workers. As will be further discussed in the section entitled *100% Employment – Providing Opportunity for All*, these challenges will be exacerbated by a projected slowing of growth in the number of workers available to fill those jobs and a significant gap between the skills those workers will need and the skills of current students and disconnected youth who will be tomorrow's workers. The section entitled *100% Ever Increasing Productivity and Prosperity – Powering Our Economic Engine* examines the impact the lack of skilled workers is already having on the innovation, expansion, and productivity of business and the concomitant impact on the various facets of prosperity for workers and their families.

It is the specific charge of WDC to take a leadership role in conjunction with Snohomish County government, education, and economic development in assuring our local workforce development system meets the needs of business for skilled workers to fill current and emerging jobs in the new, globally competitive environment. Some of the objectives and strategies addressed in the *Agenda for Action* related to this goal and analysis address the following questions:

1. What should be the role of the WorkSource Snohomish County system in achieving the goal of 100% jobs filled?
2. How should Workforce Investment Act Title I-B Youth, Adult, and Dislocated Worker funds be used to realize that goal?
3. How should any WIA 10% funds be used to realize that goal?
4. What other partnerships, funds, and/or other resources should WDC seek out to realize that goal?

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<sup>63</sup> (Employment and Training Administration, 2004)

Our system’s current strengths and weaknesses related to the realization of our goal of achieving 100% employment within this global competitiveness context are analyzed in the following section.

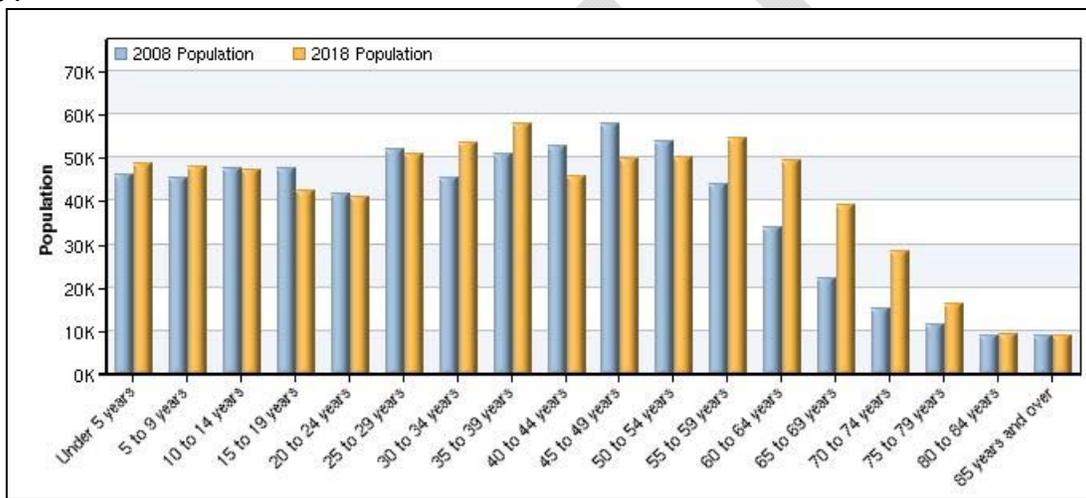
**Goal 3 – 100% Employment – Providing Opportunity for All**

WDC is committed to achieving 100% employment by meeting the needs of every County resident regardless of her/his life circumstances affecting self-sufficiency and career resiliency. The following analysis of the changing workforce in Snohomish County provides the foundation for WDC’s objectives and strategies for achieving this goal.

**Population Demographics**

Age: Chart 7 shows age distribution in 2008 and projected distribution in 2018.

**Chart 7<sup>64</sup>**



Snohomish County has a higher proportion of people under the age of 60 than either the state or nation. In 2006, only 13% of the population was in the 60+ category, compared to state and nation figures of over 15% and nearly 17%, respectively. The 60+ category in Snohomish County is expected to increase slightly in coming years.<sup>65</sup>

A top demographic consideration regarding age is the near retirement of many in the baby-boomer generation. A large number of employees will likely retire within a short period of time, taking with them knowledge and experience. It is often the case that older employees are in management positions, meaning a large number of managers will retire and companies will need to quickly fill open positions.<sup>66</sup>

Businesses are already seeking ways to replace the aging workforce. Younger professionals are likely candidates to fill open positions. This means companies must alter recruitment methods and perhaps organizational culture to attract workers from the Generation X and Millennial generations. Younger professionals want employers to offer social interaction, diversity, flexible schedules, and lifestyle accommodations. Technology is viewed by younger professionals as a vital part of life, both in the personal and professional settings. In order to attract younger workers, employers must be able to offer up-to-date technology and validate the benefits of email, instant messaging, and online networking.

<sup>64</sup> (Economic Modeling Speciliasts, Inc, 2008)

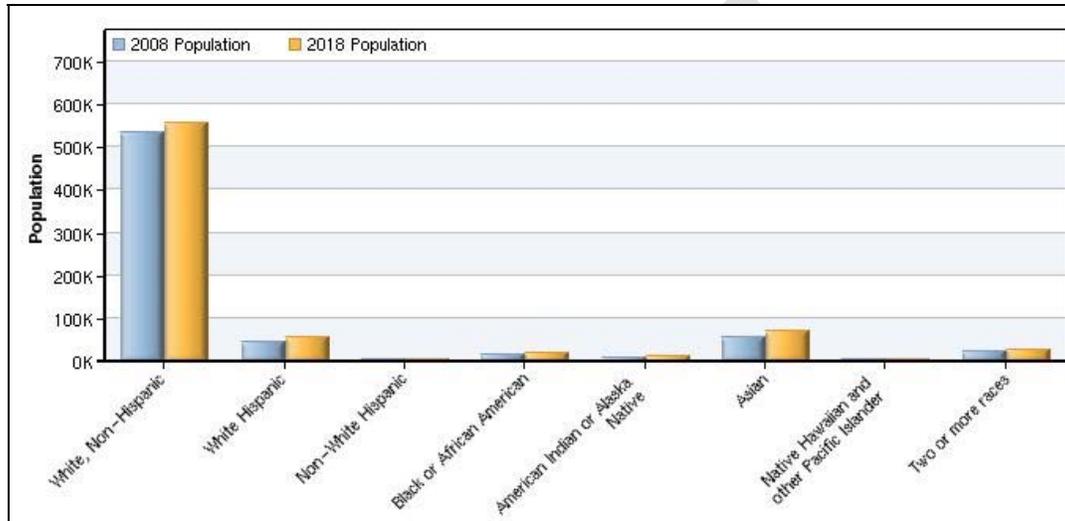
<sup>65</sup> (Washington State Employment Security Department, 2007)

<sup>66</sup> (Washington State Employment Security Department, 2007)

In addition to attracting younger professionals, some firms are making efforts to retain older workers by offering them more flexible schedules and a shorter work week. The hope is that recruitment of younger workers and retention of older workers will alleviate challenges caused by a large proportion of workers nearing retirement.<sup>67</sup> Effective management of this dynamic workforce will enable a smooth transition between generations—retaining the experience and expertise of older workers and maximizing the contributions of younger workers—while preserving a recognizable culture within the organization.<sup>68</sup>

Race, Ethnicity, and Language: Chart 8 shows race/ethnicity distribution in 2008 and projected distribution in 2015.

**Chart 8<sup>69</sup>**



Snohomish County forecasts are consistent with state forecasts, which show that the state’s workforce will become increasingly diverse as growing numbers of Hispanic, Black/African American, Native American, Asian, and other non-White Americans enter the labor force. The workforce is increasingly mirroring the demographics of the population. Education and workforce development systems must prepare for more diverse students and a more diverse workplace. Lower levels of education and skills have negatively affected labor market experiences of individuals from racial/ethnic minority backgrounds; they tend to earn less and are underrepresented in higher-level positions. Studies show that employees from these racial/ethnic groups earn higher wages after participation in workforce development programs. Community and technical college programs, apprenticeship programs, and English as a Second Language courses (if necessary), are important if individuals are to move into high pay, high skill jobs.<sup>70</sup> While education cannot completely eliminate the challenges people from diverse racial/ethnic backgrounds face in the workforce, it goes a long way in offering those individuals an opportunity to move up in the workforce.<sup>71</sup>

Over the next ten years the workplace will undergo increasing global integration, and organizations will operate more freely across borders. Workers from diverse ethnic/racial backgrounds are critical if companies are to succeed in the global marketplace. By acting now, new opportunities can be created for previously underutilized populations, and lives and the economy will benefit as a result.<sup>72</sup>

<sup>67</sup> (Washington State Employment Security Department, 2007)

<sup>68</sup> (Microsoft, 2007)

<sup>69</sup> (Economic Modeling Specialists, Inc, 2008)

<sup>70</sup> (Washington State Workforce Training and Education Board, 2005)

<sup>71</sup> (Washington State Workforce Training and Education Board, 2006)

<sup>72</sup> (Washington State Workforce Training and Education Board, 2006)

Chart 9 shows languages spoken at home in Snohomish County. By looking at the languages spoken at home, we can see that many of the people who moved to Snohomish County since 1990 are recent immigrants. In 1990, 2% of households spoke an Asian language at home. By 2000 that percent had grown to 5%, and by 2006 it had grown to 6%. Spanish speakers accounted for only 1% of the population in 1990, and grew to 3% in 2000 and 5% in 2006. Information on other languages spoken at home is not available, as English, Spanish, Asian, and Other Indo European were the only language groups that the U.S. Census collected data from in 1990, 2000, and 2006.<sup>73</sup>

**Chart 9<sup>74</sup>**

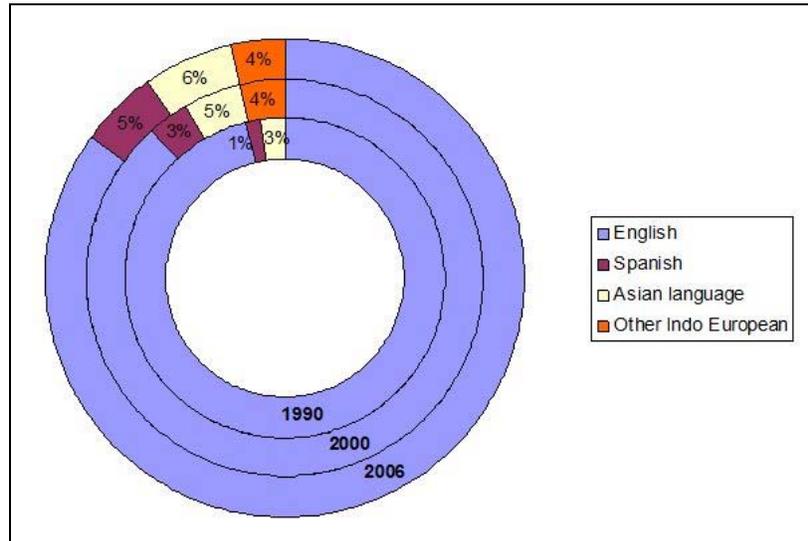
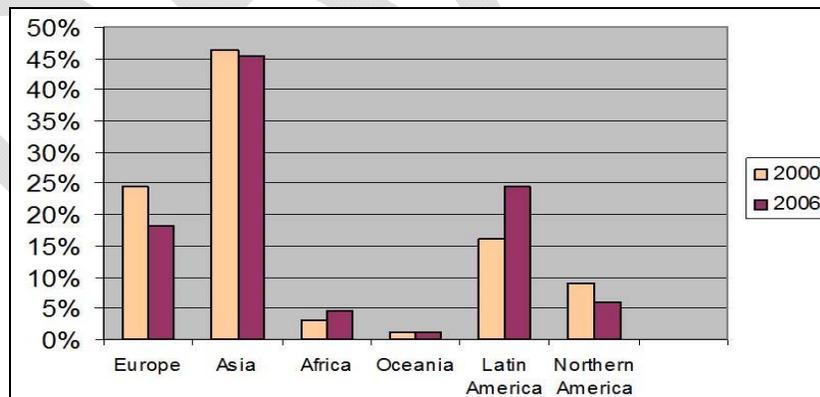


Chart 10 shows the birth region of Snohomish County's foreign born residents. The chart indicates that between 2000 and 2006, there was an increase in immigrants from Latin America, which a comparable decrease in immigrants from Europe.

**Chart 10<sup>75</sup>**



Gender: Current gender distribution is 50/50, a figure that is expected to remain the same through 2018.<sup>76</sup> Over the last three decades women entered the workforce in increasing numbers due to higher education attainment, decisions to delay marriage and childbearing, changing gender roles, and household economic pressures. At the state level, men and women tend to choose different occupations; women gravitate

<sup>73</sup> (United Way of Snohomish County, 2008)

<sup>74</sup> (United Way of Snohomish County, 2008)

<sup>75</sup> (United Way of Snohomish County, 2008)

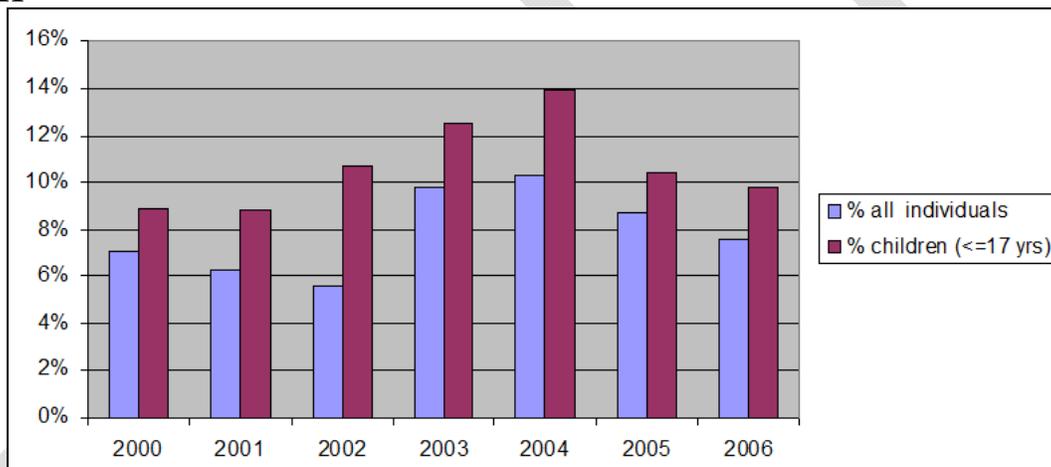
<sup>76</sup> (Economic Modeling Specialists, Inc, 2008)

toward business and professional occupations whereas the bulk of men work in construction, maintenance, production, and transportation. Women continue to earn less than men; on an hourly basis women earn about 80% of what men earn.<sup>77</sup>

To better and more fully utilize women in the workforce, companies must consider workplace policies that address issues such as child care. An estimated 10% to 20% of nonworking mothers do not seek employment because childcare is not available or affordable. About 20% to 25% of employed mothers report they would work longer hours if they did not have childcare constraints. Only 74% of women return to their careers after having children even though 93% desire to do so.<sup>78</sup> Research shows that productivity increases when employers adopt family-friendly policies, such as on-site childcare. With such policies women are able to establish a more stable work history, move into positions of higher level management, and achieve greater pay equity. Companies benefit from the retention of productive employees who desire to move up into higher level jobs.<sup>79</sup>

**Poverty:** In spite of the relatively high standard of living enjoyed by Snohomish County residents, there is a persistent underlying poverty in the county, as show in Chart 11 (poverty rates in Snohomish County) and Figure 5 (poverty by geography in Snohomish County). Almost 10% of children lived in poverty 2006, a figure that is rising slightly each year.

**Chart 11**<sup>80</sup>



**Figure 5**<sup>81</sup>

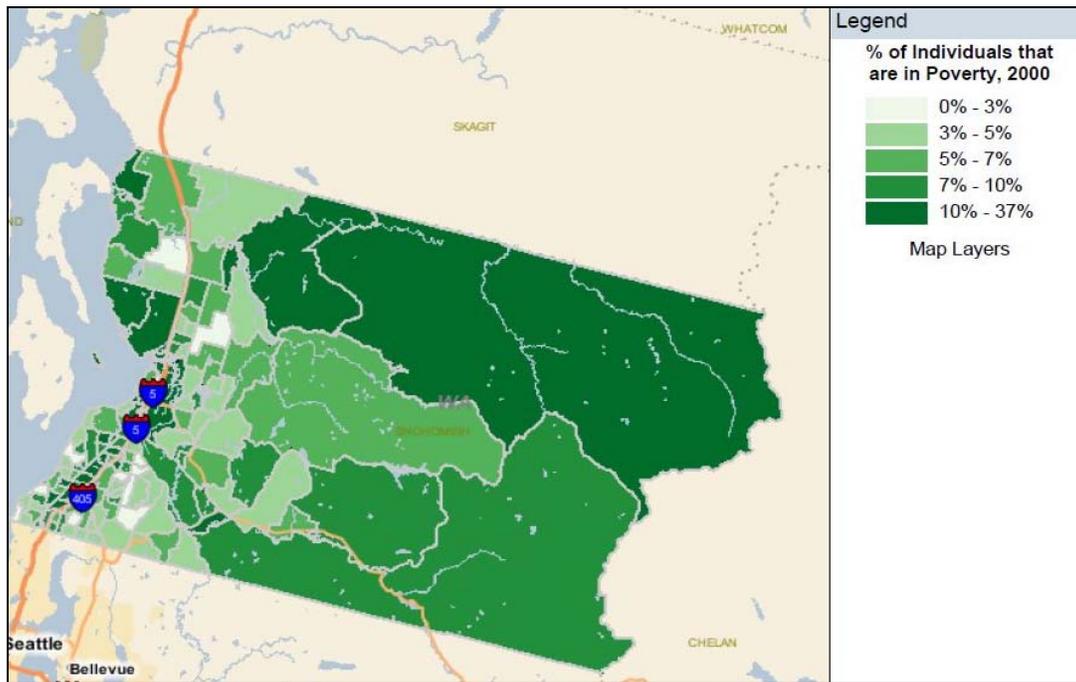
<sup>77</sup> (Washington State Workforce Training and Education Board, 2005)

<sup>78</sup> (Microsoft, 2007)

<sup>79</sup> (Washington State Workforce Training and Education Board, 2006)

<sup>80</sup> (United Way of Snohomish County, 2008)

<sup>81</sup> (U.S. Census Bureau, 2008)



Supplementing these findings are results from a 2006 low-income household needs assessment conducted by the Snohomish County Human Services Department. This assessment is based on the results of a survey administered to low-income clients representing 930 low-income households and 2,581 people (1,404 adults and 1,177 children). Of the survey respondents:

- 1) 50% reported \$900 or less in total monthly income; 69% have household incomes at or below the Federal Poverty level.
- 2) Many households relied to some degree on benefit programs such as TANF, SSI, and food stamps, though 40% reported that their benefits had been reduced or stopped.
- 3) 16% reported having left home recently due to physical or emotional abuse.
- 4) Priority needs included housing, affordable medical and dental care, and living wage jobs.
- 5) 8% needed to use emergency housing, 8% needed some form of transitional housing, and 15% relied on HUD Section 8 rental assistance.
- 6) 29% relied on energy assistance programs to heat their homes.
- 7) 40% reported that someone in their household had gone hungry for lack of food.
- 8) 35% were uninsured, with one in three saying their household had to contact 911 for some reason.<sup>82</sup>

Additionally, the Snohomish County Health District reports that 15% of Snohomish County adults do not have health insurance, with 25% of the Everett population being uninsured.<sup>83</sup>

The Earned Income Tax Credit (EITC) is a refundable federal income tax credit for low-income working individuals and families. The EITC was put in place by Congress in 1975 to offset the burden of social security taxes and to provide an incentive to work. The amount of EITC received for individual tax returns varies by income and family structure. In 2005, the amount ranged from \$399 for a childless single tax filer with lower income than \$11,750, to \$4,400 for families with more than one qualifying child. For the 2005 tax year in Snohomish County: 300,841 total tax returns were filed; 10% of all tax returns received the EITC, compared to 17% annually; the total EITC received was \$49,535,187.

<sup>82</sup> (Snohomish County Human Services Department, 2006)

<sup>83</sup> (United Way of Snohomish County, 2008)

Unfortunately, 15% to 20% of those eligible for the EITC do not claim it.<sup>84</sup> This has changed in recent years as a result of local efforts, such as United Way of Snohomish County's Free Tax Preparation Program, which helps people file and claim their refunds. In 2007, volunteers at United Way's free tax site completed 500 returns worth \$767,000 in refunds for households whose average income was less than \$19,000 a year.<sup>85</sup>

The issues facing low-income individuals and families in Snohomish County are myriad, as demonstrated by the statistics above. The vast majority of these households consider living wage jobs to be extremely important, and 39% found it very hard to get the services needed to obtain living wage jobs. This rating placed living wage jobs into the high importance-low availability quadrant of the County's gap analysis along with affordable health care and housing, both of which could be mitigated by living wage jobs. It is clear that these issues must be addressed if WDC is to achieve 100% Employment.

### **People with Disabilities**

Snohomish County is also home to many people with disabilities. Nearly 19% of Snohomish County residents report having a disability.<sup>86</sup> These conditions include visual and hearing impairments as well as conditions that substantially limit physical activities. Difficulties learning, remembering, or concentrating; dressing, bathing, or getting around inside the home; going outside the home; and/or working at a job may also impact the ability to obtain and retain employment.

Since the incidence of most types of disability increases with age and as the population ages, the need for expanded capacity to address these issues also rises. Data shows that of people 21-64 years of age who experience a disability, only 63% are employed.

While disabilities may present barriers to employment, recent advances in assistive features and technology as well as business education around the benefits of hiring people with disabilities can help even the playing field for individuals seeking employment and help individuals in this underutilized talent pool realize their potential while contributing to the economy.<sup>87</sup>

### **Veterans**

Veterans also constitute a significant population within Snohomish County. One out of every ten of the 670,628 veterans in Washington lives in Snohomish County. More than 15% of Snohomish County's residents between the age of eighteen and 64 are veterans, a veteran population density 25% higher than that of neighboring King County.<sup>88</sup>

Many of these veterans face significant challenges. During the annual Point in Time count on January 24, 2008, of the 956 homeless individuals, 61 were veterans.<sup>89</sup> In addition, anecdotal information from the Snohomish County Human Services Department Veterans' Assistance Program and WorkSource Snohomish County veterans' services staff mirrors national reports that many veterans are returning from campaigns in Iraq and Afghanistan with challenges such as Post Traumatic Stress Disorder, dependency on alcohol and other drugs, and the need for intensive services to make a successful transition to employment and civilian life.

### **Residents in Transition**

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<sup>84</sup> (Northwest Area Foundation, 2006)

<sup>85</sup> (United Way of Snohomish County, 2007)

<sup>86</sup> (U.S. Census Bureau, 2008)

<sup>87</sup> (Snohomish County Human Services Department, 2008)

<sup>88</sup> (U.S. Census Bureau, 2008)

<sup>89</sup> (Snohomish County Office of Housing, Homelessness, and Community Development, 2008)

Many Snohomish County residents have found themselves to be in transition for a variety of other reasons. Some are individuals needing to enter the labor force for the first time as a result of a change in family composition, economic circumstances, or changing public policy. Some are individuals re-entering the job market after a protracted period being out of the labor force. And, some have been dislocated due to injury, industry restructuring, or technological change as discussed in *100% Global Competitiveness – A New Context*.

The number of incumbent workers in need of retraining has also grown due the twin impacts of technology and globalization on the local labor market.

### **Workforce Supply and Demand**

Workforce supply is a measure of the number of prepared workers available to take positions in the workforce. Given the demand for workers at the 2-year postsecondary level, the supply of workers with postsecondary education or training that is one year but less than four years in length is of particular concern. The supply at this level, termed “mid-level preparation,” consists of individuals in community and technical colleges, private career schools, and apprenticeships with the supply of community and technical college students including both workforce education students and academic transfer students who do not transfer to 4-year institutions.

In any given year, 84% of mid-level preparation program completers are estimated to enter the workforce. Each year, there is a supply of approximately 25,000 newly prepared workers coming out of community and technical colleges, private career schools, and apprenticeships. Employers, however, will have an average of 30,391 annual job openings at this level of education and training between 2007 and 2012. Thus, supply is only 83% percent of demand. Even if mid-level preparation grows at the same rate as the age-specific population (in other words, current participation rates are maintained) supply will still fall short of employer demand.<sup>90</sup>

The number of workers requiring at least a bachelor’s degree for entry to occupations and as an ultimate preparation requirement may have substantial additional training requirements as measured by the gap between entry requirement and ultimate preparation requirement. In many cases, workers will enter the occupation with the higher level of preparation. In other cases, workers will need to seek additional education once employed.<sup>91</sup>

As may be seen in *100% Jobs Filled – Meeting Businesses’ Current and Emerging Needs*, the demand for workers trained at the baccalaureate level and higher in technical occupations is not being met by current supply. Current degree production meets only 67% of the need in engineering and 56% of the need in computer science. Current degree production is sufficient to meet only 65% of the need for additional prepared workers in the medical professions; 75% of the need in editing, writing and performing occupations; 75% of the need in human and protective service occupations; and 89% of the need in research, scientific, and technical occupations. This is particularly alarming given that eight out of every ten of the baccalaureate graduates in our state’s workforce are Washington residents.<sup>92</sup>

This situation will not be remedied by current students, young adults, and children who comprise the workforce of the future as is discussed below.

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<sup>90</sup> (Washington Higher Education Coordinating Board, 2006)

<sup>91</sup> (Washington Higher Education Coordinating Board, 2006)

<sup>92</sup> (Washington Higher Education Coordinating Board, 2006)

## Education and Literacy Levels

### Early Learning

There is a growing body of research that indicates an investment in school readiness and early learning yields a very high rate of return. In Snohomish County, more than 43% of teachers say children enter school not ready to learn. Children who live in poverty are even less likely to succeed. Head Start, a program proven to be effective, is available only for 25% of 1,964 eligible children. Fortunately, research also shows that investing in quality early education pays off with success in school, higher graduation rates, and job productivity.<sup>93</sup>

In response to similar issues across the state, Governor Gregoire created a Department of Early Learning and proposed a budget with vastly increased resources dedicated to meet needs. While school readiness and early learning are beyond the scope of WDC's work, the lack of school readiness significantly impacts K-12 school success, the preparation of high school graduates for the workforce and postsecondary education, and the need for postsecondary remedial coursework. It is therefore an important underlying factor in the following discussion. It is also important to note that it will be at least a decade before the benefits of any additional investment in school readiness and early learning will be realized in the preparedness of Washington students for entry into the workforce.

### K-12 Education

Snohomish County places a high priority on providing youth and adults with world class education and career and technical education (CTE) training. It has excellent institutions at the K-12 level in thirteen school districts and one CTE skills center. Within Washington, Snohomish County is home to about 12% of those enrolled in K-12 education. Of the 119,800 K-12 students in Snohomish County<sup>94</sup>, 32.7% receive free or reduced lunches, a benchmark that is often used to examine the income levels of the overall population. This is slightly lower than the statewide rate of 36.7%.<sup>95</sup>

Another statistic widely examined is the dropout rate among various high schools. This statistic has only recently been standardized in the way it is reported across the State with a statewide rate of 5.1% compared to a 5.5% rate in Snohomish County.<sup>96</sup> Even more telling is the on-time graduation rate which indicates how many of the entering freshman class graduate on time within four years. The Snohomish County rate is 71%. Another 8% graduate later or earn a GED. This means that 21% of freshman who enter high school in Snohomish County drop out and do not earn a high school diploma.<sup>97</sup>

### Postsecondary Education in Community and Technical Colleges

Snohomish County is home to about 20,000 students enrolled in local community and technical colleges – Everett Community College, Edmonds Community College, and Cascadia Community College. Of the students who graduate high school, nearly 35% enroll in Snohomish County community and technical colleges – about 17% enroll in Everett Community College, 15% enroll in Edmonds Community College, and less than 1% enrolls in Cascadia Community College. Just under 20% of Washington high school graduates attend college out-of-state. While reasons vary, a portion of these students cannot access higher education opportunities in their desired majors here in Washington. It should also be noted that existing studies regarding student demand in Washington do not take into account out-of-state enrollments or discouraged students who fail to apply.

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<sup>93</sup> (United Way of Snohomish County, 2007)

<sup>94</sup> (Public School Review, 2008)

<sup>95</sup> (Northwest Area Foundation, 2006)

<sup>96</sup> (Northwest Area Foundation, 2006)

<sup>97</sup> (United Way of Snohomish County, 2007)

The State Board for Community and Technical Colleges indicates that their experiences and outcomes differ from those of traditional college-aged students. Compared with community college students who enroll soon after high school at ages eighteen to 24, those who start at ages 25-64 are more likely to earn a certificate and less likely to earn an associate degree. These older first-time students are also far less likely to transfer to a four-year institution and earn bachelor's degrees. Indeed, among students who entered a community college for the first time in 1995-96, 60% of older first-time students did not earn any credential or transfer to a baccalaureate program after six years, compared with 40% of younger, first-time students.

Colleges increasingly gear their applied associate degrees to the employment needs of the local community and thus tend to graduate only a small number of students in each community each year. Many of these graduates live and work in their community and are not in a position to go elsewhere to complete a bachelor's degree. While professional/technical specialization bachelor's pathways are more commonly using innovative delivery methods to reach students living and working in communities at a distance from the campus, there is still a need to increase access for place-bound students.

The lack of information regarding the socioeconomic background of students attending community and technical colleges has created a void in understanding student access and success. With this in mind, the State Board for Community and Technical Colleges enlisted help from the Columbia University Community College Research Center to construct an alternative socioeconomic (SES) proxy for individual students.<sup>98</sup>

Data suggests that younger students in low SES households are increasingly delaying entry into college, but later show up as older adults with low skills. Younger students in high SES households are more likely to attend college immediately after high school. Another key finding of the study is that students from lower SES backgrounds typically fare less well on the WASL test, possibly leading to a disparity in graduation rates among those of lower SES. Studies also show that under-preparation is a concern for younger students of color who have recently graduated from high school. They are somewhat less likely than white students to be college ready when they arrive, enrolling at higher rates in pre-college coursework. Additionally, studies show that adults who have been out of school for a significant period of time frequently require remedial courses. Further, immigrants and refugees frequently require additional courses in English.<sup>99</sup>

These findings have significant implications for several key reasons. First, the Snohomish County population under 10 years of age in 2000 was significantly more likely to be in the low SES households than was the County population in 1990. Secondly, as demonstrated above, the student body is becoming increasingly diverse in terms of race, ethnicity, age, and country of origin. An increasing percentage of students entering postsecondary educational require remediation, frequently in the form of adult basic education (ABE) and English as a Second Language (ESL).<sup>100</sup> This is significant in that research clearly demonstrates that less than one-third of adult education and English language students in community colleges in Washington State earn a credential beyond a GED certificate. Researchers draw the conclusion that, "Despite the great need of this population for further educational attainment, our systems do not have the capacity to serve them at all."<sup>101</sup>

That our systems **do** have effective models for serving these students has been demonstrated by the Integrated Basic Education and Skills Training (I-BEST) model implemented on a pilot basis by community colleges throughout our state. The Washington State Board for Community and Technical Colleges December 2005 evaluation found that participating students earned **five times more college credits** on average, and were **fifteen times more likely to complete workforce training**, than traditional

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<sup>98</sup> (Washington State Board for Community and Technical Colleges, 2005)

<sup>99</sup> (Washington State Board for Community and Technical Colleges)

<sup>100</sup> (Washington State Board for Community and Technical Colleges)

<sup>101</sup> (Washington State Board for Community and Technical Colleges, 2005)

ABE/ESL students. However, this nationally-recognized model is not available in all schools, nor does I-BEST offer integrated instruction for all key industry clusters.<sup>102</sup>

Within workforce education, results for students overall are more promising than are the results for traditional ABE/ESL training. About eight out of ten workforce students who progress beyond a quarter (fifteen credits) of training eventually exit programs “prepared for work,” with little difference in outcomes between any student groups. However, Latino, African American, and Native American students are a little more likely to leave early (with fewer than fifteen credits) and are less likely to obtain credentials or complete longer training even when they progress beyond the fifteen credit mark.

#### Postsecondary Education in 4-Year Institutions

In Washington, about 10% of the 7,000 graduates with an associate in applied science or other technical degree transfer to baccalaureate programs. However, a study by the Washington State Board for Community and Technical Colleges finds that a transfer rate of about 30% would better meet student and industry needs. Creating that additional opportunity for baccalaureate education from now to 2010 would require 3,000 additional full-time equivalent slots for students at the junior and senior level.<sup>103</sup>

Currently, almost 40% of Snohomish County college students attend 4-year institutions. Of those who attend 4-year schools, about 35% attend the University of Washington at the main campus in Seattle. Another 300+ students also attend the University of Washington at the Bothell Campus. The Lynnwood branch of Central Washington University at Edmonds Community College serves approximately 200 students from the region.

In their report to the Washington Learns Task Force on Higher Education, NORED identified a need for continued growth in higher education in our state. Their report compares the degree production in Washington to that of nine other “Global Challenge” states. The study finds that Washington is well below the national median in terms of the number of bachelor level and graduate degrees produced, confirming the findings of numerous other studies. In addition, the report supports the need to focus additional resources on high-demand fields similar to those outlined in the *Assessment of Higher Education Needs of Snohomish, Island, and Skagit Counties* (SIS) study prepared by the Higher Education Coordinating Board in December, 2006.

The Prosperity Partnership’s Higher Education Work Group—a higher education working group within a coalition of more than 300 organizations implementing a regional economic strategy for central Puget Sound—also finds that increasing higher education opportunities is a key to growing jobs in the region. The Partnership states that fields driving both the state and regional economy within the context of a global economic marketplace should be the focus of increased degree production in computer sciences; engineering; life sciences; medical research; nursing; and production of secondary teachers in math, science, English as a Second Language, and special education. The Partnership estimates that almost half of the job openings in Washington between 2007 and 2012 will occur in these fields. In addition, associate degree production in the fields of medical diagnosing and treating and health technologists and technicians are considered critical. These findings are consistent with the findings of the SIS survey and interview of the region’s employers, students, and counselors.<sup>104</sup>

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<sup>102</sup> (Washington State Board for Community and Technical Colleges, 2005)

<sup>103</sup> (Washington State Board for Community and Technical Colleges, 2005)

<sup>104</sup> (Prosperity Partnership, 2008)

## Adult Educational Attainment

In Snohomish County, of those 25 years and older, 90.2% have a high school diploma or higher. Nearly 27% have at least a bachelor's degree.<sup>105</sup> The breakdown in educational attainment for Snohomish County's population over the age of 25 years is provided in Table 14.

**Table 14**<sup>106</sup>

<b>Educational Attainment among Snohomish County Adults</b>	
Less than High School Diploma or Equivalency	9.7%
High School Graduate or Equivalency	27.1%
Some College, No Degree	25.5%
Associate's Degree	10.6%
Bachelor's Degree	19.0%
Graduate or Professional Degree	8.0%

ABE is the largest single entry point into community colleges for students of color and non-English speakers, most of whom attend as adults for employment-related reasons.

### Education of Population and Degrees Granted

Washington is regarded as having one of the most highly educated populations in the country when this measure is calculated by the number of baccalaureate degree holders as a percentage of total population. However, Washington ranks in the bottom quartile in terms of production of bachelor's degrees. This disparity is explained by the net in-migration of highly educated workers who earned their degrees elsewhere. Between 1990 and 2000, Washington imported roughly 74,000 people who held a bachelor's degree or higher. This in-migration is credited for mitigating the higher education system's shortfall in baccalaureate degree production, especially in high-demand fields. Of the top fifteen occupations in terms of total net in-migration, seven are occupations in which more than half the workers coming to the state hold at least a bachelor's degree.

Research finds that "the higher education system must increase the number of graduates with the skills required to meet the employer needs in a number of key occupational areas." Positions in the high-demand areas of computer science, engineering, software engineering, architecture, and health care occupations as well as an increase in the number of students enrolled in graduate and professional programs to meet employer demand are needed. Further findings reveal a need for increased access to degree programs in business, education, life and physical sciences, and social sciences. This is consistent with findings in the SIS study.<sup>107</sup>

### Planning Implications

As may be seen in *100% Jobs Filled- Meeting Businesses' Current and Emerging Needs*, industry's demand for skilled workers is outstripping supply which is, in turn, impeding economic growth. This section demonstrates that there is no short-term resolution to this issue due to a number of factors including:

- The population is changing in terms of age, socioeconomic status, race, ethnicity, age, and country of origin.
- An increasing percentage of students aren't entering school ready to learn.

<sup>105</sup> (U.S. Census Bureau, 2008)

<sup>106</sup> (U.S. Census Bureau, 2008)

<sup>107</sup> (Washington Higher Education Coordinating Board, 2006)

- Too few tenth grade students achieve desired proficiency on WASL Reading and Writing tests. Performance on the Math and Science tests is even more problematic.
- Too few students are moving directly into postsecondary education.
- Too many students need remediation at the postsecondary level and too few of those who take remedial courses enter and complete postsecondary academic or career and technical education programs.
- Completion rates need to increase for all students at all educational levels.

The best employers the world over will be looking for the most competent, creative, and innovative people on the face of the earth and will be willing to pay them top dollar for their services. This will be true not just for the top professionals and managers, but up and down the length and breadth of the workforce.  
*(Tough Choices or Tough Times)*

The challenges presented by this situation will grow as the number of jobs requiring skilled workers increases and the skills those workers need multiply. As describe above, these challenges will be exacerbated by the projected slowing of growth in the number of workers available to fill those jobs and a significant gap between the skills those workers will need and the skills of current students who will be tomorrow’s workers. The section entitled *100% Ever Increasing Productivity and Prosperity – Powering Our Economic Engine* examines the impact the lack of skilled workers is already having and is projected to have on the innovation, expansion, and productivity of business and the concomitant impact on the various facets of prosperity for workers and their families. Taken together, these sections articulate the challenges that must be addressed to secure a strong position for the U.S., Washington, and Snohomish County in the global marketplace.

It is the specific charge of WDC to take a leadership role in conjunction with Snohomish County government, education, and economic development in assuring our local workforce development system meets the education and related needs of all youth and adults to prepare them for current and emerging jobs in the new, globally competitive environment. Some of the objectives and strategies addressed in the *Agenda for Action* related to this goal and analysis address the following questions:

1. What should be the role of the WorkSource Snohomish County system in achieving the goal of 100% employment?
2. How should Workforce Investment Act Title I-B Youth, Adult, and Dislocated Worker funds be used to realize that goal?
3. How should any WIA 10% funds be used to realize that goal?
4. What other partnerships, funds, and/or other resources should WDC seek out to realize that goal?

Our system’s current strengths and weaknesses related to the realization of our goal of achieving not only an employed but a 100% productive and prosperous workforce within this global competitiveness context are analyzed in the following section.

#### **Goal 4 – 100% Productivity and Prosperity – Powering our Economic Engine**

Recognizing that business cannot increase workers’ wages without an increase in output, WDC is committed to developing a Snohomish County workforce that continuously contributes, and continuously improves that contribution, toward the productivity of business. As will be demonstrated below, this contribution will, in turn, increase the prosperity of business, our community, and the workers themselves. The following analysis of the components of productivity and prosperity provides the foundation for WDC’s objectives and strategies for achieving this goal.

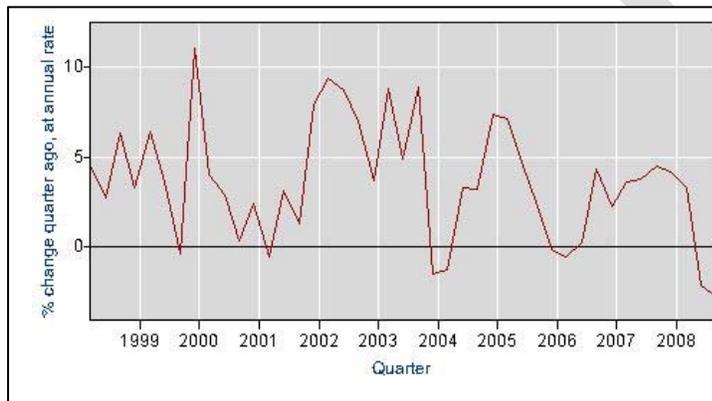
#### **Productivity**

The U.S. Department of Labor Bureau of Labor Statistics (Bureau) defines productivity as “a measure of economic efficiency which shows how effectively economic inputs are converted into output.” The Bureau further points out that “Advances in productivity, that is the ability to produce more with the same or less input, are a significant source of increased potential national income. The U.S. economy has been able to produce more goods and services over time not by requiring a proportional increase of labor time but by making production more efficient.”<sup>108</sup>

According to the U.S. Department of Commerce, innovation holds the key to rising productivity, and productivity gains are the key to both economic growth and a rising standard of living. The manufacturing industry is the national leader in initiating technological innovations and improved processes essential to rising productivity across a wide range of industry sectors and clusters: between 1977 and 2002, productivity in the overall economy increased 53% compared to 109% in the manufacturing sector, demonstrating the critical role the industry plays in the health of the U.S. economy.<sup>109</sup>

Manufacturing is even more critical to the prosperity of Snohomish County where it contributes more than 30% to the average monthly employment and total wages in covered employment. Unfortunately, in recent years productivity in the U.S. manufacturing industry has decreased, as shown in Chart 12 and Table 13.

**Chart 12<sup>110</sup>**



**Table 13<sup>111</sup>**

Year	Qtr1	Qtr2	Qtr3	Qtr4	Annual
1998	4.5	2.7	6.3	3.3	5.4
1999	6.4	3.6	-0.4	11.1	4.5
2000	4.0	2.9	0.3	2.4	4.1
2001	-0.6	3.1	1.3	7.9	1.6
2002	9.4	8.7	7.0	3.7	6.9
2003	8.8	4.9	8.9	-1.5	6.2
2004	-1.3	3.3	3.2	7.4	2.2
2005	7.1	4.7	2.2	-0.2	4.9
2006	-0.6	0.2	4.3	2.2	1.1
2007	3.6	3.8	4.5	4.2	3.4
2008	3.3	-2.2	-2.7		

According to the OECD, there are three key components to analyzing the growth of GDP: contribution of capital, multi-factor productivity, and the contribution of labor.<sup>112</sup> Since the OECD uses this conceptual framework to compare data across countries, it is useful to utilize this framework to assess the relative productivity of the U.S. economy. It is important to note that the relative contribution of capital to productivity in the U.S. is of great concern to global competitiveness groups at the national, state, and local levels. It is not, however, within the scope of this examination.

A detailed analysis of multi-factor productivity is also beyond the scope of this document but will be touched upon briefly due to its implications for workforce training. Multi-factor productivity (MFP) is defined as, “the change in GDP that cannot be explained by changes in the quantities of capital and labour that are made available to generate the GDP. MFP is sometimes described as disembodied technological progress...[and] comes from more efficient management of the processes of production through better ways of using labour and capital, through better ways of combining them, or through reducing the amount of intermediate goods and services needed to produce a given amount of output. Growth in MFP is a

<sup>108</sup> (U.S. Department of Labor, 2008)

<sup>109</sup> (U.S. Department of Commerce, 2004)

<sup>110</sup> (U.S. Department of Labor, 2008)

<sup>111</sup> (U.S. Department of Labor, 2008)

<sup>112</sup> (Organisation for Economic Co-operation and Development, 2007)

significant factor in explaining the long-term growth of real GDP.” The OECD also notes that MFP growth “was one of the factors that helped strengthen growth in Canada, Finland, France, Greece, Ireland, Sweden, and United States over the 1990s. A labor force that is increasingly skilled in continuous improvement processes and tools that can be applied in a total product lifecycle and industry context is essential to continued MFP growth.”<sup>113</sup>

Currently, the U.S. is in very strong standing in terms of labor’s contribution to productivity. According to the National Association of Manufacturers, within the U.S., productivity from manufacturing labor more than doubled during the past decade and leads all countries in the absolute level of labor productivity per her and per employee. In fact, standing by itself, U.S. manufacturing would be the eighth largest economy in the world.<sup>114</sup> However, the U.S. continues to lag behind a number of OECD nations – Slovak Republic, Korea, Czech Republic, Poland, Iceland, Ireland, Sweden, and Greece – in average annual growth in productivity including.<sup>115</sup>

### **Components of Prosperity: Income, Education, and Program Completion**

According to the U.S. Department of Commerce, “From the perspective of the average American worker, rising productivity translates into higher real wages and a broader range of higher-quality, lower-cost goods, meaning each additional dollar earned goes further.”<sup>116</sup>

The current standing of U.S. workers overall is excellent: the U.S. ranks 2<sup>nd</sup> among member countries in terms of income per capita, behind Luxembourg. The OECD reports that the productivity advantage of the U.S. economy over other OECD members accounts for 75% of this per capita income standing.<sup>117</sup>

Not only is the income of U.S. residents high relative to the rest of the world, it is also growing at a rate that exceeds growth in cost of living as are the rates in Washington and Snohomish County. According to Pacific Northwest Regional Economic Analysis reports, total personal income increased 193.2% in the U.S., 271.9% in Washington, and 376.1% in Snohomish County between 1969 and 2006. In Snohomish County, total personal income has increased every year except 2003 since 1972 and has generally been capturing an increasing share of the State total. In 2000 dollars, per capita personal income increased 94% in Snohomish County between 1969 and 2004. This is slightly lower than the rates for the U.S. and Washington which were 100.3% and 101.0% respectively for the same time period.<sup>118</sup>

The relationship between income and the cost of living is captured in the Self-Sufficiency Standard of wages which defines, for a given area, the income level that working adults must reach in order to meet their basic needs without subsidies of any kind. Unlike the Federal poverty standard, the Self-Sufficiency Standard accounts for the costs of living and working as they vary by family size and composition and by geographic location. Calculations are based upon estimates for housing, child care, food, transportation, healthcare, taxes, and miscellaneous expenses. Tax credits are also calculated in the final figures.

In 2006, the Self-Sufficiency Standard of wages was updated for Washington, which was divided into 46 separate areas. Larger areas, such as King and Pierce Counties, were divided into sub-areas. In total, 70 different family compositions are presented in the Standard.<sup>119</sup> Other configurations can be customized by visiting the self-sufficiency calculator for Snohomish County which may be found at <http://www.worksourceonline.com/js/sscalc.html>.

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<sup>113</sup> (Organisation for Economic Co-operation and Development, 2007)

<sup>114</sup> (National Association of Manufacturers, 2008)

<sup>115</sup> (Organisation for Economic Co-operation and Development, 2008)

<sup>116</sup> (U.S. Department of Commerce, 2004)

<sup>117</sup> (Organisation for Economic Co-operation and Development, 2008)

<sup>118</sup> (Pacific Northwest Regional Economic Analysis Project, 2008)

<sup>119</sup> (University of Washington, 2007)

Snohomish County ranks as requiring the sixth highest wages for self-sufficiency out of the 46 areas. Among other Washington counties, Snohomish County has the third highest self sufficiency wage rate, behind King and San Juan Counties. This is reflected in the earnings needed for self-sufficiency in Snohomish County by family size and composition. For example, the average single parent with one toddler and one school age child would need to earn \$20.05 per hour to achieve self-sufficiency. The average two parent family with one toddler and one school age child would need to earn \$23.31 per hour. The cost of child care for infants is clearly shown in the need to earn \$28.40 per hour for a single parent with one infant, one toddler, and one school age child to be considered self-sufficient.<sup>120</sup>

Another indicator of income is median family income, defined by the Census Bureau as the average annual income of American families. In 2007, the median family income was \$50,223 in the U.S.<sup>121</sup>, \$63,705 in Washington<sup>122</sup>, and \$78,091 in Snohomish County.<sup>123</sup>

The clear relationship between income and educational attainment is fully described in *100% Employment – Providing Opportunity for All*. This relationship has not been lost on our nation’s youth. More than 90% of high school seniors say they plan to obtain postsecondary education but far fewer earn a degree of any kind. Furthermore, a recent study by the National Center for Higher Education Management Systems found that for every 100 students who start high school, only 67 earn a diploma within four years. Of those, only 38 enter college, 26 are still enrolled after sophomore year, and eighteen graduate on time with either an associate’s or a bachelor’s degree (defined as three years and six years, respectively). These rates also vary considerably by race and ethnicity with completion rates of African-American, Native America, and Latino(a) students being substantially lower than the rates of White and Asian American students.<sup>124</sup>

The concern raised by these national statistics is amplified by additional state-level data: in Washington, only 70% of high school students graduate on time.<sup>125</sup> Additionally, less than one-third of adult education and English language students in Washington’s community colleges earned a credential beyond a GED certificate.<sup>126</sup> (It is important to note that there are promising programs being tested in our state to improve this rate as described in *100% Employment – Providing Opportunity for All*, above.) The Workforce Board sheds light on the reasons students are unable to complete training programs and obtain living wage employment as shown in Table 15.

**Table 15**<sup>127</sup>

Type of Program	Unmet Needs
WIA Youth	Job Opening Information
Secondary Career and Technical Education	None
Postsecondary Career and Technical Education	Job Opening Information Financial Assistance Career/Job Counseling
Private Career Schools	Job Opening Information Financial Assistance Career/Job Counseling One or More Job Search Skills
Apprenticeship	None
Worker Retraining	Job Opening Information

<sup>120</sup> (University of Washington, 2007)

<sup>121</sup> (U.S. Census Bureau, 2008)

<sup>122</sup> (U.S. Census Bureau, 2008)

<sup>123</sup> (Economic Development Intelligence System, 2008)

<sup>124</sup> (edweek.org, 2006)

<sup>125</sup> (Workforce Training and Education Coordinating Board, 2006)

<sup>126</sup> (Workforce Strategy Center, 2006)

<sup>127</sup> (Workforce Training and Education Coordinating Board, 2006)

WIA Dislocated Worker	Financial Assistance Job Opening Information Financial Assistance Career/Job Counseling
WIA Adult	Job Opening Information Financial Assistance Career/Job Counseling Government Services Information
WorkFirst ABE/ESL	Job Opening Information Career/Job Counseling One or More Job Search Skills Government Services Information Financial Assistance
Division for Vocational Rehabilitation	Career/Job Counseling Job Opening Information On-the-Job Training Vocational Training Computer Training Help Keeping a Job Financial Assistance Job Search Assistance One or More Job Search Skills Labor Market Information Government Services Information Paid Work/Job Coaching Medical Services Transportation Assistance Pre-Job Skills Training Self-Employment Services Occupational Licenses
Division of Services for the Blind	Job Opening Information Paid Work/Job Coaching Transportation Assistance Computer Training Vocational Training Financial Assistance One or More Job Search Skills Government Services Information Career/Job Counseling Job Search Assistance Help Keeping a Job Medical Services Labor Market Information

In addition to examining unmet needs, the Workforce Board examined the disproportionality in educational achievement and employment outcomes by gender and race/ethnicity and found considerable disproportionality in one or both areas to be an issue in many of the above programs. They also examined employer satisfaction with the skills of program completers which was generally quite high. An examination of participants' median hourly wages, annualized earnings, and longer-term benefits after program exit found these programs to have a nearly uniform positive impact on short-term and lifetime

earnings as well as increased tax receipts with apprenticeship programs yielding the most impressive results across the board.<sup>128</sup>

These findings therefore present a mixed picture. Washington's workforce training programs clearly promote skills acquisition and increased earnings. However, they also have completion rates that could be improved were unmet needs and disproportionate educational attainment more effectively addressed. Educational program dropout rates at all levels coupled with the presence of disproportionate achievement have profound implications for the prosperity of Washington's workforce as discussed below.

### **Components of Prosperity: Total Compensation**

Total compensation for workers is measured in terms of wages/salaries and benefits. And the cost of benefits, particularly the cost of health care, to businesses and their workers, is increasing exponentially. According to OECD, "In terms of total health spending per capita, the United States spends almost 50% more than the next highest-spending countries...and well over double the unweighted average of all OECD countries...In 2003, the public sector continued to be the main source of health financing in all OECD countries apart from the United States, Mexico, and Korea." OECD data show spiraling public and private expenditures on health care in the U.S. with more than 55% of total health spending coming from private sources. A significant portion of these expenditures come from employer contributions to employee health care benefit plans.<sup>129</sup>

Low-income workers make up a large segment of the U.S. labor market and hold jobs that are important to the U.S. economy and the well-being of all Americans. [They] receive very modest compensation for their contribution to the economy. In 2004, the lowest tenth percentile of the labor force earned a mean hourly wage of \$7.16, while the wage rate for the lowest 25<sup>th</sup> percentile of workers was \$9.18. As a result, for many workers at the bottom of the economic scale, employment is not automatically a route out of poverty.  
*(Manpower Development Research Corporation)*

This massive public and private investment of resources into our nation's health care system is not yielding the desired results. According to the OECD, 21 member countries have a life expectancy greater than the life expectancy of Americans which is below the OECD average. The U.S. also has the dubious distinction of ranking first among all member nations in the percentage of its population age 15 and over who are obese, increasing the real cost of health care still further. The cost of providing long-term care to an aging population is projected to increase these costs exponentially in the coming decade.<sup>130</sup>

It is also important to note that low-income wage earners are least likely among all U.S. wage earners to have employer-provided health care benefits, compounding an already precarious situation even further.

### **Components of Prosperity: Savings, Tax Credits, Financial Asset Development, and Other Investments**

Prosperity is also dependent upon savings, financial asset development, and investment which, in turn, stimulate the economy. According to a recent report, "the sustainability of U.S. economic growth over the longer term will require a reversal of the declining national saving rate that is so vital to fueling capital investment and productivity growth."<sup>131</sup>

This declining rate is also documented by OECD which shows the household net savings rate steadily declining in the U.S. since 1990. It is currently lower than the rates for all member countries reporting

<sup>128</sup> (Workforce Training and Education Coordinating Board, 2006)

<sup>129</sup> (Organisation for Economic Co-operation and Development, 2007)

<sup>130</sup> (Organisation for Economic Co-operation and Development, 2008)

<sup>131</sup> (United States Government Accountability Office, 2005)

with the exception of Australia and Canada. (Rates for non-member countries including China and India are not provided.)<sup>132</sup>

Since 2002, tax credits have been more widely used to finance postsecondary education than has Federal financial aid, sparking review of the efficiency and effectiveness of various programs designed to promote access to and affordability of postsecondary education, particularly for non-traditional students such as working adults who can only attend school part-time.<sup>133</sup> It should be noted that a review has already been conducted in Washington. As a result, Governor Gregoire has recommended significant expenditures to address this gap in Washington in her proposed budget for the 2008-2009 bienniums.

Savings, tax credits, and other asset building strategies may also be used to capitalize other investments such as investment in capital markets, entrepreneurial start ups, and homeownership.

According to the OECD, the share of total GDP that is devoted to investment in fixed assets is an important indicator of future economic growth. The U.S. ranks 27<sup>th</sup> out of 34 nations studied in gross fixed capital formation as a percentage of GDP. China, incidentally, ranks first. Further, the percentage change in the proportion of U.S. investment between 1991 and 2004 was 2.4%: in China, it was 15.9%. The U.S. ranks 24<sup>th</sup> out of 28 countries in gross fixed capital formation on machinery and equipment as a percentage of GDP.<sup>134</sup>

Several studies highlight the importance of individual entrepreneurial activity to our nation's economy. The U.S. Department of Labor indicates that, "Self-employment can be a valuable option for populations who wish to work but have the desire to own their own business or have barriers to employment which can be minimized through self-employment." Some of the specific populations cited include low-income workers, women, people with disabilities, and veterans.<sup>135</sup> Our state's track record in this arena is uneven: according to the Corporation for Enterprise Development, in 2004, Washington State ranked 1st in the nation at starting new companies, but 47th at sustaining them.

In a global economy highly dependent upon the stability of a skilled workforce, another particularly important investment trend to follow is the investment in homeownership. Investment rates in homeownership are very sensitive to business cycles although long-term trends reflect population growth rates. The ability to save and develop financial assets can mitigate cyclical trends and help retain a skilled workforce in the community during inevitable economic downturns. Such retention will increasingly serve as a key variable in the economic recovery of communities and nations. The U.S. ranks twelfth out of 29 OECD member nations on the gross fixed capital formation on housing as a percentage of GDP.<sup>136</sup>

The Workforce Board concludes that "The challenges of slower population growth and increasing skill needs make it essential that we provide historically underutilized populations with knowledge and skills to participate in tomorrow's economy. We need to ensure we develop an adequate workforce that supports our employers and a thriving economy."<sup>137</sup>

The negative impact of disproportionate educational achievement on both prosperity and productivity is made explicit by the State Board for Community and Technical College. According to a report, "Washington would realize an estimated **\$3.9 billion** increase in total personal income and **\$1.4 billion** in additional tax revenues if all ethnic groups experienced the same educational attainment and earnings as whites [emphasis added]."<sup>138</sup>

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<sup>132</sup> (Organisation for Economic Co-operation and Development, 2008)

<sup>133</sup> (United States Government Accountability Office, 2005)

<sup>134</sup> (Organisation for Economic Co-operation and Development, 2008)

<sup>135</sup> (U.S. Department of Labor, 2005)

<sup>136</sup> (Organisation for Economic Co-operation and Development, 2008)

<sup>137</sup> (Workforce Training and Education Coordinating Board, 2006)

<sup>138</sup> (Washington State Board for Community and Technical Colleges, 2005)

Educational attainment and earnings coupled with contained health care costs, increased savings, reinvestment of tax credits and other financial asset development and investment strategies would increase the prosperity of workers and their families and the productivity of their employers further yet.

As may be seen from the above discussion, productivity drives prosperity for both business and workers. And, improving the prosperity of the workforce generates capital which can be reinvested into industry, contributing to ever increasing productivity and prosperity in a globally competitive context, bringing this discussion full circle.

### **Planning Implications**

This section examines the impact the lack of skilled workers is already having on the innovation, expansion, and productivity of business and the concomitant impact on the various facets of prosperity for workers and their families.

As may be seen from the above discussion, with manufacturing leading the way, U.S., Washington, and Snohomish County industry is becoming more productive and continues to lead the world in productivity. The world, however, is catching up.

As discussed in *100% Jobs Filled – Meeting Businesses’ Current and Emerging Needs* and *100% Employment – Providing Opportunity for All*, the U.S., Washington, and Snohomish County are already facing a significant shortage of skilled workers. As is shown above, these shortages are negatively impacting industry’s ability to continue rising to meet this challenge even though industry is striving to do so by financing classroom based and on-the-job training.

Smart investments, long-range strategic business plans, and sound business practices will continue to give shape to an economic future of our choice. Excellence in partnerships, planning, and deeds will take Snohomish County business and residents to a future of sustainable prosperity.  
(Snohomish Council Executive Aaron Reardon)

Our public and privately funded workforce training system is struggling to address the wide range of skill shortages reported, particularly among low-income students and students who have non-academic as well as academic needs that must be addressed. This translates for too many of our community’s residents into low wages, inadequate benefits, little or no savings, and a lack of financial assets. This lack of prosperity, in turn, translates into a lack of capital to invest in industry, hampering productivity still further.

Looking forward, this situation presents challenges to our global competitiveness as described in *100% Global Competitiveness – A New Context*.

It is the specific charge of WDC to take a leadership role in conjunction with Snohomish County government, education, and economic development in assuring our local workforce development system supports the productivity and prosperity of all youth and adults in the new, globally competitive environment. Some of the objectives and strategies addressed in the *Agenda for Action* related to this goal and analysis address the following questions:

1. What should be the role of the WorkSource Snohomish County system in achieving the goal of a 100% productive and prosperous workforce?
2. How should Workforce Investment Act Title I-B Youth, Adult, and Dislocated Worker funds be used to realize that goal?
3. How should any WIA 10% funds be used to realize that goal?
4. What other partnerships, funds, and/or other resources should WDC seek out to realize that goal?

# WORKFORCE DEVELOPMENT SYSTEM DELIVERY

## Programs and Role in System

The workforce development system in Snohomish County today has evolved substantially from its origins seven years ago. This system attempts to integrate programs and services from 39 separate and distinct funding streams into a unified whole, providing demand-driven services to attract, retain, and expand businesses in the nine industry clusters targeted for economic development in Blueprint 2015 as well as supply-side services to help youth, adults in transition, incumbent workers, and apprentices receive the education, training, and support needed to realize self-sufficiency and career resiliency from the employment and career lattice opportunities made available in these industry clusters.

The WorkSource physical infrastructure is comprised of two full service workforce development centers, WorkSource Everett and WorkSource Lynnwood, the WorkSource Youth Center, and a number of virtual one-stop centers which are youth-centered portals to the system in Arlington, Edmonds, Everett, and Lakewood. Each virtual one-stop center contains at least one computer station with Internet access, Washington Occupational Information System software, and the Microsoft Office suite of products. Career centers in each school district also serve as portals to the system and have access to the high quality career development materials available at WDC's website as well as websites hosted by the State, the U.S. Department of Labor, and the U.S. Department of Education. System staff are assigned to support industry with rapid response to downsizing and closure events county-wide and WorkSource facilities are available to support industry hiring activities and events.

On behalf of this system, WDC is charged with convening stakeholders and gaining meaningful input into the creation of a draft plan for approval by the Snohomish County Executive. Some additional responsibilities of WDC which functions as the system's primary intermediary include:

- oversight of the WorkSource system;
- development of linkages between government, education, workforce, economic, and community development as well as other human services in Snohomish County;
- infusion of the voice of industry into all system activities through industry skills panels;
- provision of a coordinated and responsive system of outreach to business in all phases including outreach, start-up, expansion, downsizing, and closure;
- promotion of the coordination of workforce development activities for youth, adults in transition, incumbent workers, and apprentices within Snohomish County; and
- establishment of a Youth Council to advise WDC on integration of services to Snohomish County youth.

To those ends, the plan serves as a roadmap for utilizing the funds from the separate programs and activities supported by WDC as shown in Table 16.

Table 16

Workforce Development Council Snohomish County				
Centers	Cluster Initiatives	Adult Program and Services	Youth Programs and Services	Prosperity Tools
Everett WorkSource	Construction Carnival Taskforce	Adult and Dislocated Worker Services	Comprehensive In-School Youth Services	Financial Asset Development, IDAs
Lynnwood WorkSource	Biomedical Devices Partnership Zone	Homeless Veteran's Reintegration	Comprehensive Dropout Youth Services	Self-Sufficiency Calculator
WorkSource Youth Center	Aerospace Convergence Zone	Military Family Friendly Initiative	Dropout Prevention and Intervention	Investing in Families
	TRIAD 2	Business Services	Building Bridges	Career Trees
	Rapid Response		AmeriCorps	
	Blueprint 2015			

Population(s) Served: Targeted Industry Clusters +						
Program	Incipient/New Entrants		Adults in Transition		Adults in Wage Progression	
	Youth	New/Re-Entrant Adults	Low-Wage Adults	Dislocated Workers	Incumbent Workers	Apprentices
Wagner-Peyser	x	x	x	x	x	<b>x</b>
Postsecondary Technical Ed.	x	x	x	x	x	<b>x</b>
WIA I-B Adult Core Services		x	x	x	x	<b>x</b>
WIA I-B Dislocated Worker Core Services		x	x	x	x	<b>x</b>
Job Skills Program		x	x	x	x	<b>x</b>
Customized Training Program			x		x	<b>X</b>
Local Veterans Employment			x	x	x	<b>x</b>
Secondary Career & Technical Ed.	x					
Perkins Secondary Career & Technical Ed.	x					
WIA I-B Youth	x					
Job Corps	x					
Juvenile Corrections Education	x					
AmeriCorps	x	x				
Senior Employment		x				
Community Works		x				
Community Service		x				
Community WEX		x				
Ex-Offender Work Orientation		x				
TANF – WorkFirst		x	x			
Perkins Postsecondary Technical Ed.		x	x			
Community Based Job Training Initiative	x	x	x	x	x	
Adult Ed. and Basic Skills		x	x			

WIA I-B Adult Instruction & Training		x	x			
Refugee Assistance		x	x			
Community Services Block Grant - Employment		x	x			
Business Enterprise for the Blind		x	x			
Vocational Rehab. for the Blind		x	x	x		
On-the-Job Training		x	x	x		
Work Incentive Grant		x	x	x		
Disabled Veterans Outreach			x	x		
Homeless Veterans			x	x		
Claimant Placement				x		
Worker Retraining				x		
WIA I-B DW – Instruction & Training				x		
Trade Adjustment Assistance				x		
Training Benefits				x		
WIA I-B Statewide					x	
Apprenticeship						x

Based on an analysis by the Workforce Board, the WIA Title I-B Youth, Adult, and Dislocated Worker funds are anticipated to represent approximately 9% of the total investment from major formula funded programs in 2007.

**Business Utilization of WorkSource Centers**

While WorkSource centers are not synonymous with the system itself, it is important to examine how centers, which are the system’s most visible entities, are perceived by business. On the national level, the one-stop system has had an impact on employers’ ability to find skilled workers. According to the U.S. General Accounting Office in their December, 2006 report to Congress, *Workforce Investment Act: Employers Found One-Stop Centers Useful in Hiring Low-Skilled Workers; Performance Information Could Help Gauge Employer Involvement*, “Regardless of size, employers completing our survey hired a small percentage of their employees through one-stops and two-thirds of those they hired were low-skilled...Employers told us they would hire more job seekers from the one-stop labor pools if they had the skills for which they were looking [sic].” Further, the businesses surveyed used only one of the services offered by one-stops, the posting of job openings, with any frequency (96% of those surveyed). This is particularly interesting in light of the fact that only 60% of those surveyed found this service to be of use. Only 10% of those surveyed used the one-stop system to access training services: of those who did, only 60% found the services useful.

In contrast, 79% of the 38% who utilized the one-stop system to screen job applicants found this service to be of use. Nearly all (96%) of the 27% who utilized one-stop facilities for hiring found this service to be useful or very useful. These same percentages applied to the availability of labor market information through the one-stop system. Only 10% sought out information about financial incentives and employee supports but 90% of those who used this service found it to be useful or very useful. One hundred percent of the 10% who utilized the one-stop system for assistance with averting layoffs and downsizing found this service to be useful or very useful.

This analysis has implications for the utilization of scarce WIA resources to achieve its four goals.

**Service Delivery Design**

WorkSource partners attempt to realize a service delivery model that is fully integrated and has goals for the achievement and maintenance of seamless service delivery. The system strives to minimize the

number of times a business, youth, or job seeker is asked to give the same information and does not require that an individual navigate between providers to get her/his desired or needed service mix. The system does attempt to offer the broadest level of multi-program cooperation as possible and put customer choice as the defining driver for the development of every service plan. The WorkSource website, designed to be used in tandem with State and national websites, offers a broad array of information and services to career counselors, youth, job seekers, and industry. The use of a common business, youth, and job seeker tracking system is intended to allow for shared participation in handling customer services and in contributing to overall progress, shared accountability, and recordkeeping.

### **Workforce Investment Service to Business and Adults**

In recognition that service to business and adults could benefit from a significant redesign, WDC approved a new service delivery model for implementation on or before July 1, 2007. Recognizing that system resources are finite, the new system will expand upon the number of efficient low-intensity interactions between businesses and job seekers. WIA resources will also be focused on effective high-intensity interactions between priority businesses and job seekers. The key components of this new service delivery model include:

1. Outreach/recruitment strategies designed to increase the number of businesses in industry clusters targeted by the Blueprint partners for attraction, retention, and expansion that place job orders with the WorkSource Snohomish County system. These recommendations are also designed to increase the number of qualified job seekers available for referral to those jobs.
2. Core services that improve the speed with which all businesses can fill job orders that do not require screening.
3. Orientation, initial assessment, and eligibility determination through which businesses and job seekers can be assessed for additional service needs and resources accessed to meet those needs.
4. Intensive services that improve the speed, consistency, and quality of referrals to fill job orders placed by targeted industry cluster businesses.
5. The provision of priority services that improve the speed, consistency, and quality of referrals to fill targeted industry business job orders that require customized screening. Improved access to training resources is also included to address situations in which there is a gap between business needs and the availability of skilled job seekers.

Within this system, there will be a more narrowly defined role for WorkSource site operators. Staff position descriptions will be for generalists to ensure greater flexibility in the assignment of staff to respond to economic conditions.

The key design factors considered in the development of this redesign were aimed at achieving a single overarching goal, that is, to **continue advancing our prosperity by filling jobs created in Snohomish County by regional and local economic development efforts with the best possible candidates**. The redesign was also developed with two issues in mind. First, current economic conditions require that the system immediately begin recruiting more qualified job seekers to fill jobs. In a labor market where a large number of jobs are going unfilled, the system cannot rely on “walk-in traffic” to meet industry’s needs. Secondly, the system needs to be agile and able to respond rapidly to constantly changing economic conditions. For each element of the redesign, WDC answered the question of whether implementation of a given strategy could or could not be reasonably expected to:

- Improve services to business customers as measured in employer customer satisfaction surveys (**Business Satisfaction**).
- Improve services to job seeker customers as measured in participant customer satisfaction surveys (**Seeker Satisfaction**).
- Improve services to specific target groups including but not limited to job seekers who are underemployed, English language learners, mature workers, people of color, people with

disabilities, low-income, and/or have other barriers to economic opportunity (**Economic Opportunity**).

- Improve performance compared to measures established by the U.S. Department of Labor (**Federal Performance**).
- Improve performance compared to measures established by the Workforce Board (**State Performance**).
- Improve performance compared to the Governor's Government Management Accountability and Performance (GMAP) measures (**GMAP Performance**).
- Increase the number of businesses served (**Business Inputs**).
- Increase the number of job seekers served (**Seeker Inputs**).
- Align the actions of WDC with state and local strategies (**Strategic Alignment**).
- Increase integration of all WorkSource Snohomish County programs and services, a key State objective (**System Integration**).

To be able to achieving its overarching goal, WorkSource must be able to serve a larger number of Snohomish County businesses, particularly those businesses that are in industry clusters targeted for attraction, retention, and expansion by the Blueprint partners as well as businesses in emerging high-demand industry clusters. To do so, the system must be able to attract a larger number of job seekers with the skills needed by those industry clusters. The system must also be able to train job seekers who will be able to acquire the skills needed through a judicious investment of scarce training resources. And, it must be able to ensure that all residents receive access to the resources needed to benefit from our county's growing prosperity. The resources available for fulfilling these functions are limited. Therefore, WDC is focused on improving processes and services funded with existing resources. Through implementation of the above system process and services design changes, WorkSource will be able to support the realization of globally competitive and prosperous community to the benefit of all businesses and residents.

In addition to business, the system has been redesigned to address the needs of three specific groups of adults: adults in transition, incumbent workers, and apprentices.

Adults in transition include new labor force entrants, low-income workers, displaced homemakers, and workers facing dislocation including returning veterans. Current Federal, State, and local legislation allows for a comprehensive array of core, intensive, and training services for adults in transition. The resources available from these sources are inadequate to meet the needs of all Snohomish County adults in transition, however. **This represents a significant gap in the system's ability to meet the needs of businesses and job seekers.**

The services available to incumbent workers, that is, workers who are fully employed and in need of skills upgrading to support career advancement and the productivity of their employers, are more restricted. Incumbent workers and their employers have access to the full array of WorkSource core services. Intensive services that support planning for career resiliency are not available. In an effort to improve Washington's ranking in the bottom quintile of states on the basis of a per capita investment in incumbent worker training, State programs have been designed and funded to address the significant gaps in Federal programs designed to meet this need. These include the Job Skills Program and the Customized Training Program operated by community and technical colleges. The recent infusion of Federal Community Job Skills Training program funds to support the training of new and current production workers in the advanced manufacturing industry will have a significant impact on the skills gaps in that industry cluster. Thus, these programs are meeting local industry needs. There remains a significant business-identified gap in the system's ability to facilitate on-the-job training and formal training for incumbent workers provided by the business itself and/or its proprietary partners, most typically supply chain and vendor businesses. Currently, there is neither State nor local resources to address this need. Further, WDC receives only \$60,000 annually in Federal resources through which this need may be addressed. **This represents a profound gap in the ability to meet needs of businesses and job seekers.**

In addition to the core services available to all adults through WorkSource, the system also provides a range of services designed specifically to meet the needs of current and would-be apprentices as well as to create a pipeline for their employers. Recruitment for apprenticeships is provided in K-12 schools by Joint Apprenticeship Training Coordinators. Pre-apprenticeship training is offered by the community colleges and organized labor. Individuals who enter apprenticeships through WorkSource also have access to follow up services to support their retention. Additionally, WDC works directly with industry cluster businesses and organized labor to create new apprenticeship opportunities including the creation of career ladders with apprenticeships in the construction trades and health services industry clusters. The impending labor shortages in many industries that utilize apprentices are profound and system resources are currently inadequate to meet the needs of these businesses and the workforce. **As is the case for adults in transition and incumbent workers, this represents a significant gap in the system's ability to meet the needs of businesses and job seekers.**

WorkSource also includes some additional key services. First, WorkSource staff work collectively to provide the highest caliber of rapid response services possible to support businesses and job seekers during downsizing, relocation, and closures. Additionally, providing staff support to industry skills panels has been a priority service to business. System staff also work with businesses and industry consortia on a just-in-time basis to mobilize resources to address emerging skills gaps.

### **Developmental Services for Youth**

WorkSource has the capacity to provide youth with adult responsibilities the full array of services available to adults in transition. It also has the capacity to provide a wide range of developmental services to youth ages fourteen through 21 to address anticipated future workforce needs. Federal, State, and local resources are blended with guidance and leadership from WDC's Youth Council. The Youth Council has adopted a developmental service delivery model constructed around reducing risk factors and enhancing protective factors in the life domains shown below for each youth as needed through a program of Individual and Tailored Care. To the maximum extent possible, these services are provided to support prevention-based activities: education, employment, skills, housing, transportation, attitudes and behaviors, legal, health, treatment, family situation, and use of free time.

Every one of the ten youth program elements identified in WIA are provided to in-school youth as are additional services needed to support employability development, and development generally, for each youth served. Resources are focused in targeted schools starting at the critical juncture between the 8th and 9th grades to help youth remain in and succeed in school, resulting in on-time high school graduation.

WDC also supports a lower cost dropout prevention and intervention initiative through which youth who are in danger of dropping out and youth who have recently dropped out are identified and provided with academic and other supports funded with a blend of Basic Education Act and WIA funds.

Additional services are provided to support high quality career and technical education for all in-school youth through the delivery of state-of-the-art career development information offered by a team of trained AmeriCorps members who work with district staff and youth to enhance career awareness, leadership, and job readiness. The AmeriCorps Program also offers youth an opportunity to engage in community service and meet graduation requirements through well-planned and implemented service learning opportunities in which youth can participate.

WDC has also been actively engaged in an industry-led secondary and postsecondary career and technical education-workforce development partnership to create a model demand driven career pathways program for Snohomish County's number one industry, manufacturing. The best practices and lessons learned from this model program may be utilized to support world class career and technical education pipelines in additional industry clusters over time.

The 10 elements are offered to high school dropouts as are a wide array of additional services through the WorkSource Youth Center. These additional services are provided by a number of co-located partners offering services specifically designed to meet the needs of youth who have dropped out of school including GED preparation, health services, family services, independent living skills, and access to postsecondary options including postsecondary education and advanced training, Job Corps, the military, apprenticeship, and service programs. This facility is strategically located in close proximity to WorkSource Everett to support a seamless transition between youth-focused and adult-focused system infrastructure and services. All youth services are intended to be coordinated into a program of sustained intervention that takes each youth to the point of stabilization in a 13th year plan with follow up supports provided as needed.

The Youth Council has identified specific target populations of youth for both in and out-of-school services including young offenders and youth aging out of the foster care system. WorkSource has dedicated substantial financial resources toward assuring the integration of "wrap around" services to meet the needs of youth in these special populations.

In spite of the best efforts of all education and WorkSource partners, a comprehensive array of workforce and other developmental services is only available to a miniscule fraction of local youth. **This represents a profound gap in the system's ability to meet the needs of businesses and youth.**

### **Financial Asset Development Services for Youth and Adults**

As outlined in *100% Ever Increasing Productivity and Prosperity – Powering Our Economic Engine*, the development of financial assets is critical to the productivity of America's businesses and the well-being of America's families. WDC has therefore entered into a partnership with United Way of Snohomish County, the Snohomish County Human Services Department, local housing authorities, banking and other asset-related industry representatives, and a wide array of faith-based and community organizations to help develop a county-wide comprehensive financial asset development effort. This includes WDC's Build for Tomorrow initiative which helps low-income workers develop financial literacy and save funds toward the purchase of a home, acquisition of postsecondary education, or small businesses capitalization. The funds saved are matched with Federal, State, and local contributions. These services are coupled with financial literacy services offered by the County and with Earned Income Tax Credit filing assistance offered by United Way. The compliance requirements associated with many of these programs are extensive, overly cumbersome, and drain scarce administrative resources from other efforts. While there is recognition at the Federal level that these requirements are impeding the expansion of these strategies, relief will be dependent upon reauthorization of the Assets for Independence Act and may require regulatory relief at the State level as well.

### **Performance Accountability**

To meet the challenges to 100% global competitiveness, 100% jobs filled, 100% employment, and a 100% productive and prosperous workforce, WorkSource must measure its performance, be accountable for results, identify opportunities for improvement, and continuously improve its performance. To that end, WDC was represented on the Performance Management and Continuous Improvement (PMCI) work group led by the Workforce Board. PMCI identified the following outcomes to be measured to support continuous improvement: competencies, employment, earnings, productivity, reduced poverty, customer satisfaction, and return on investment. Performance on measures associated with each of these outcomes is measured as part of the statewide measurement system as is performance on Federal outcomes. In 2007 and 2008, WorkSource performance was measured in comparison to Washington State outcome indicators as well as new Federal common measures. Measurement is made, whenever possible, using administrative records as opposed to staff or participant self-report information.

### **Use of Performance Information**

Performance information is used for strategic planning and program design. Performance is measured against both Federal and State measures for Workforce Investment Act funding streams for adults, dislocated workers, and youth. For the WIA Title I-B Adult and Dislocated Worker Program, the Federal measures that were utilized for Program Years 2000 through 2004 were replaced in 2005 by a set of common measures promulgated by the Office of Management and Budget (OMB) in response to the President's Management Agenda which addresses five government-wide goals to improve the effectiveness and efficiency of Federal programs. For the WIA Title I-B Youth Program, the Federal measures applied in Program Year 2000 still apply as do the common measures. For Federal job training and employment programs, OMB has defined four performance indicators for adults including entered employment, retention, earnings increase, and cost efficiency and four indicators for youth programs including placement in employment and education, attainment of a degree or certificate, literacy and numeracy gains, and cost efficiency.

Starting July 1, 2005, these common measures for job training and employment are in the process of being applied to the following programs administered by the United States Department of Labor:

Department of Labor – Employment and Training Administration

WIA Dislocated Workers  
WIA Adult  
Trade Adjustment Assistance  
NAFTA Transitional Adjustment Assistance  
Employment Service  
Native American Employment and Training  
Community Service Employment for Older Americans  
Migrant and Seasonal Farm workers  
H-1B Technical Skills Training  
Veterans Workforce Investment Program  
Disabled Veterans Outreach Program  
Local Veterans Employment Representatives  
Homeless Veterans  
WIA Youth  
Job Corps  
Responsible Reintegration of Youthful Offenders  
YouthBuild

**Data Collection**

WorkSource utilizes two data collection systems for capturing the information needed to ascertain actual performance compared to the above measures. The first of these systems is the statewide Washington Member System utilized to capture information on the number of users of WorkSource core services as well as the types of services used. The second system is Services, Knowledge, and Information Exchange System (SKIES), the statewide system utilized for capturing program-specific information on performance. There are 21 data elements that are, at a minimum, collected for every youth and job seeker customer accessing WorkSource program-specific service. Additional data elements are collected as required for a specific program. The data collected provides the information needed for local management of performance using leading indicators for employment, skills gains, credentials attainment, earnings gains, and retention. The data also provides the information needed at the state level by the Participant Outcomes Data Consortium to access and use administrative records to create performance reports consistent with Federal protocols. The data collected in SKIES also serves as a foundation for the employer and customer satisfaction surveys conducted by a third party firm. The State provides WDC with results using Federal protocols quarterly, annually, and biennially.

**Continuous Improvement**

WDC utilizes both leading indicator data and State reports to strategically plan for the workforce development system in Snohomish County as a whole and to fulfill its responsibility to oversee both WorkSource and programs under Title I-B of the Workforce Investment Act. Indicators allow WDC to identify areas of program strength as well as opportunities for improvement. The results are also utilized by system partners to establish priorities and outcome targets for continuous improvement. At the partner, program, and system levels, strategies are developed and implemented to effect planned improvements.

WorkSource will continue to use a continuous improvement system and process that incorporates performance data as well as real-time customer satisfaction information gleaned from web-based tools that interface with system web-based products, exit interviews, and other processes to improve the quality, efficiency, and effectiveness of the services it provides to businesses, youth, and job seekers. Such improvements may be in the areas of facilities, equipment, partners, programs, services, business process design, and other improvement techniques. In addition to utilizing the Balanced Scorecard as a continuous quality improvement tool, the following Malcolm Baldrige Criteria for Performance Excellence will be utilized at each WorkSource center in an annual self-assessment process to review strengths and opportunities for improvement and develop continuous improvement targets: leadership, information and analysis, strategic planning, human resource development and management, process improvement, business results, and customer focus and satisfaction. Completion of an assessment will remain a prerequisite for certification/recertification of WorkSource centers.

### **Performance-Based Interventions**

The data and information gleaned through all performance measurement processes are utilized by WDC to create performance-based interventions as indicated. WDC will actively collaborate with Washington State Employment Security Department to develop system reporting and performance goals as part of Governor Gregoire's Government Management, Accountability, and Performance (GMAP) initiative focused on improving the results of Washington State government. As noted above, completion of a continuous quality improvement self-assessment utilizing the Malcolm Baldrige Criteria for Excellence is required for a WorkSource center to maintain its certification as a WorkSource facility. Additionally, any variance of  $\pm 15\%$  on any leading indicator or a State report compared to target for any Federal or State performance indicator triggers a requirement for a corrective action plan which includes analysis of challenges and strategies for improvement as well as intermediate targets, if appropriate. Ultimately, performance is a factor in selection of WorkSource site operators and service delivery providers through competitive Request for Proposal processes managed by WDC.

WorkSource also shares in any performance-based financial incentives issued by the Federal Government with vocational and adult education. These funds are utilized to enhance the system consistent with State planning and guidance.

### **Assurances**

WDC assures that necessary data will be collected and maintained for performance accountability for WorkSource and WIA Title I-B programs following State and Department of Labor protocols. In this manner, WorkSource remains focused on the needs of business, youth, and job seeker customers and is accountable for the quality of the results it achieves as it implements the objectives and strategies described below.

## **GOALS, OBJECTIVES, AND STRATEGIES**

WDC's 2007-2009 strategic plan presented goals, objectives, and strategies to increase skill levels, employment, earnings, customer satisfaction, and return on workforce development investments. All work was focused on the unique needs, priorities, and resources of Snohomish County, and supported the goals and strategies set forth by the state workforce development board. This Plan continues the focus on

Snohomish County's unique needs, priorities, and resources while now supporting the Workforce Board's newest strategic plan, *High Skills, High Wages 2008-2018*. Linkages between WDC's objectives and the Workforce Board's objectives will be clearly demonstrated.

As stated in the introduction, WDC, like the Workforce Board, recognizes that a longer-term horizon is needed, one that goes beyond getting participants into entry-level jobs and emphasizes long-term economic successes and wage progression for system participants. To that end, all objectives discussed in this Plan are 2009-2019 focal points, with strategies being implemented in the 2009-2011 span of time. This allows WDC to take action on strategies to immediately affect the unique needs, priorities, and resources of Snohomish County while also ensuring that future youth, adult, and industry needs are reflected. Combined, WDC's objectives and strategies will affect short-term and long-term gains for system participants and encourage career pathways and lifelong learning.

This Plan positions Snohomish County as a location of choice that brings together the best education and training and an excellent environment and quality of life, with workers prepared to meet the needs and demands of a globally competitive economy. As the Plan is implemented, our collective vision of all workers and job seekers finding productive employment in a strong and diverse, globally competitive economy will be realized.

In setting goals, objectives, and strategies, WDC recognizes that the process of implementing them is a collaborative effort. The strategies are listed in narrative form to support dialogue with stakeholders around mutual benefits and commitments. As the WDC mission makes clear, WDC invests WIA and other funds as venture capital to continue building and expanding a responsive workforce system that is industry-driven and consistent with future labor market needs; a system that draws together the strands of government, education, workforce, economic, community, and human development strategies in Snohomish County.

WDC recognizes that there may be some statutory and regulatory limitations regarding how the WDC can invest WIA funds in some of these activities. The U.S. Department of Labor encourages applications for waivers for relief and guarantees rapid review and decision making regarding any requests submitted. Such submissions may be made to the State in conjunction with the Snohomish County Executive if they are deemed to be mission critical.

## **Goal 1 – 100% Global Competitiveness – To achieve a WorkSource Snohomish County system that is 100% globally competitive.**

### **Objective 1.1 - Champion public policy goals that lead to the economic health and vitality of the community.**

*Strategy 1.1.1 - Engage stakeholders to identify public policy needs.*

*Strategy 1.1.2 - Select and prioritize public policy objectives that align with the WDC mission.*

WDC has tremendous assets for addressing the challenges to global competitiveness faced by our county and our state. These assets include the ability to participate in state, regional, and local level committees and work groups; convene and provide staff support to local level committees and work groups; conduct labor market, skills gap, and related research and analysis; convene and staff skills panels; and disseminate information about best-in-class practices to improve productivity, to name a few. WDC will utilize these assets to conduct research and actively advocate for public policy that will support the development of Snohomish County's workforce.

Of top priority is discovering the needs of stakeholders and hearing what is important in the community from those most affected by local issues. To that end, WDC will convene stakeholders and engage in discussions about what is most needed and how public policy could impact those needs. WDC will then

select and prioritize public policy objectives that align with the WDC mission. WDC will also craft a public policy agenda and champion public policy goals at local, State, and Federal levels.

**Objective 1.2 – Increase sustainable funding.**

*Strategy 1.2.1 – Diversify funding sources.*

*Strategy 1.2.2 – Leverage funding sources through partnerships with stakeholders.*

WIA and Wagner-Peyser resources available to the WorkSource system are not adequate to realize WDC’s four goals. These system resources must be aligned with the resources of a wide variety of stakeholders and partners to ensure all Snohomish County residents have the skills and opportunities needed to obtain and retain employment with career advancement potential. WDC will increase efforts to diversify funding sources and develop and strengthen partnerships to leverage resources.

WDC has been extremely active in seeking out Federal and State funds to support options for all students and workers including non-college bound youth. WDC has also successfully sought funding from private foundations to support expanded opportunities for low-income youth and adults. WDC will continue to utilize WIA Title I-B formula resources to seek additional funding to achieve this objective.

**Objective 1.3 – Increase recognition of workforce development system brands.**

*Strategy 1.3.1 – Develop and employ an outreach plan to ensure WorkSource brand recognition.*

*Strategy 1.3.2 – Evaluate and strengthen the WDC outreach plan.*

As reported by the Government Accountability Office on the national level and confirmed by a survey conducted by Marketing Solutions, Inc. on the local level, there is tremendous opportunity for improving industry’s knowledge and use of WorkSource for meeting their recruitment, assessment, hiring, and retention needs. Improvements can be made in brand recognition, knowledge about the services available, and “word of mouth” advertising by businesses satisfied with the services received.

WDC will develop a campaign plan and collateral materials with the guidance and direction of a Marketing subcommittee of the Board. WorkSource site operators and service delivery providers will be trained and prepared for communicating brand messages and for an increase in business. The WDC brand, successfully designed and communicated over the past two years, will be evaluated and strengthened as needed.

*Part of achieving this goal will be to support the Workforce Board’s tactic of conducting an ongoing outreach campaign to inform the general public about the employment and earnings benefits of postsecondary training, especially in high employer demand program of study.*

**Objective 1.4 – Maintain a service system in which businesses attain the knowledgeable, skilled employees required to be competitive in today’s economy.**

*Strategy 1.4.1 – Build partnerships with training providers and stakeholders.*

*Strategy 1.4.2 – Build partnerships with service providers and stakeholders.*

One role identified by WDC in achieving this objective is to convene and participate in groups with other state, regional, and local stakeholders to build the case and create a unified strategy for expanding degree options for Snohomish County students and workers, many of whom are place-bound due to family ties, community networks, and/or work. WDC has worked extensively with educational institutions to expand training resources beyond those available by formula to K-12 schools, CTE, community and technical colleges, and the workforce development system. Most of WDC’s efforts to date have been in the expansion of K-12 offerings and postsecondary programs of two years or less. WDC will utilize and leverage WIA Title I-B formula funds to aggressively seek out additional Federal and State funds to support the expansion of four year programs that meet the needs of business and job seekers in our community as well.

As noted, many of Snohomish County's students and workers have strong ties to the communities in which they live and work. There are currently few educational options available to students and workers in the rural portions of our county and travel to other counties is unrealistic. Yet, increasingly, business demands in traditionally rural industries such as agriculture require the same level of STEM education as required in fields such as advanced manufacturing and business services. WDC will utilize WIA Title I-B resources to increase awareness by conducting local labor market research and issuing briefs that provide a research-based approach to addressing this need.

Staying with the theme of building partnership with training providers, WDC will continue to work with industry and education to address the need for individuals prepared to teach students in locally targeted key industry clusters. WDC's primary role in work with industry has been focused on the creation of work-based learning opportunities for which students can achieve high school and/or college credit. WDC will continue work with K-12, CTE, and postsecondary education partners to attract young adults and career switchers including dislocated workers and veterans to teaching, particularly in the skills needed for the targeted key industry clusters as well as to retain current, talented teachers. Continued use of WIA Title I-B formula funds to develop and disseminate career trees containing crosswalks to tools such as O\*Net, Workforce Explorer, the Workforce Board's interactive career planning website, Career Bridge, and *Where Are You Going?* is a key component of this strategy.

In addition to building partnerships with training providers, building partnerships with service providers will be critical to success. WDC will continue to utilize WIA Title I-B Youth and Adult Program funds to support the development of in and out-of-school youth and adults who are low-income and have additional barriers to employability development and employment, including those who are English language learners. The programs funded are designed to increase the English proficiency and academic performance of youth and adults through the provision of services and activities that support school-based and community-based instruction. Such services and activities include instruction in career awareness and planning to help people who are English language learners make informed career development choices. WDC will also continue to build its cadre of streams of service members to support these efforts. WDC will continue meeting with schools and community organizations to explore options for developing additional training opportunities that incorporate both native languages and English to meet the needs of youth and adults in the community.

WDC's many activities supporting effective service delivery align with several of the Workforce Board's objectives: providing services that help all youth to graduate from high school, reducing unemployment rates among older youth and improving their career prospects, and providing postsecondary education and training systems that allow opportunities for lifelong learning.

**Goal 2 - 100% Jobs Filled - To create a WorkSource system that is able to meet industry needs by Filling 100% of Snohomish County jobs with qualified job seekers.**

**Objective 2.1 - Build, support, and facilitate partnerships with education, labor, and industry.**

*Strategy 2.1.1 - Increase board member education, knowledge, and accountability.*

WDC has played and must continue to play an active role in working with colleges and high schools to promote seamless service delivery and guidance between advisors and counselors. This includes supporting the articulation of educational programs between the secondary and postsecondary levels by convening stakeholders and providing support to integration efforts.

Building partnerships to support entrepreneurs is another important aspect of this objective, and WDC is committed to learning the right information and forming the right relationships to further the success of entrepreneurs in Snohomish County. Numerous studies at the national, state, and regional levels have highlighted the importance of entrepreneurs to the economy, both as engines of economic activity and as Promoting a Globally Competitive Workforce for Snohomish County

a critical well-spring of innovation. The U.S. Department of Labor has identified the support of entrepreneurs as a critical activity to be supported with WIA Title I-B formula. While Washington ranks first in the nation in the number of small business start ups per capita, it ranks 47<sup>th</sup> in small business survival. This represents a critical challenge.

In response, WDC will utilize WIA Title I-B resources to collaborate with the Economic Development Council, chambers of commerce, economic development entities, and educational institutions that offer small business services to develop and disseminate products that outline business start-up services available in our community. WDC will also work with State agencies to obtain information about best-in-class systems and products in other areas and to disseminate the resources mapped and products developed in Snohomish County. WDC will utilize WIA Title I-B formula resources to develop fact sheets on access to lending tools to be disseminated throughout WorkSource. WIA Title I-B service delivery provider staff will continue to participate in the Snohomish County IDA Collaborative and will help WIA-eligible job seekers with completing applications for IDAs to launch business ventures.

**Objective 2.2 – Facilitate increased training and apprenticeship options with partners to match current and future employment opportunities.**

*Strategy 2.2.1 – Collaborate with new and existing partners to seek funding and leverage to support training, apprenticeship, and employment programs.*

*Strategy 2.2.2 – Continuously evaluate employment trends and needs.*

WDC will make a concerted effort to build relationships with and expand apprenticeships. WDC will work with the organized labor representatives on the Board of Directors as well as with the Washington State Department of Labor and Industries, the Joint Apprenticeship Training Councils, the Washington State Apprenticeship and Training Council, and industry skills panels to expand upon our successful efforts to date to increase the number of apprenticeship opportunities available in targeted industry clusters. WDC will utilize WIA Title I-B formula resources to develop educational materials, conduct outreach in schools, and support training in apprenticeships as needed.

WDC will seek out opportunities for expanding pre-apprenticeship and apprenticeship programs as it did with the International Brotherhood of Electrical Workers to create continuing career advancement opportunities for journey level electrical workers. The purpose of this program was to mitigate labor shortages in a targeted key industry cluster, construction. Another model for continuous career advancement through apprenticeship that WDC implemented with partners was the creation of an apprentice pathway within nursing occupations, demonstrating the efficacy of apprenticeship in another targeted industry cluster. WDC will utilize WIA Title I-B formula resources to develop and sustain such opportunities in other targeted industry clusters.

*Moving this objective forward also means impacting the Workforce Board's tactic of expanding pre-apprenticeship and apprenticeship opportunities for youth.*

**Objective 2.3 – Ensure a first-rate job order and matching system is in place.**

*Strategy 2.3.1 – Train staff to enter data that is accurate, reliable, and consistent.*

*Strategy 2.3.2 – Implement and use a customer satisfaction continuous improvement feedback process.*

WDC is committed to providing a best-in-class recruiting process that meets the needs of business, industry, and all employers. Training will be provided to WorkSource staff and evaluation methods will be implemented to measure success and guarantee continuous system improvements.

*These efforts are designed to impact the Workforce Board's objective of maintaining a WorkSource system that provides integrated and effective customer service without barriers associated with separate, individual programs.*

**Objective 2.4 – Identify and recruit job candidates using their capabilities, potential, knowledge, and experience.**

*Strategy 2.4.1 – Develop opportunities and remove barriers for job candidates to access jobs and/or training.*

*Strategy 2.4.2 – Ensure current and emerging job openings and requirements are identified, documented, and monitored.*

The ability to provide effective demand-driven services to meet the needs of industry clusters targeted by Blueprint 2015 for attraction, retention, and expansion is predicated on a research-based understanding of industry needs. The Snohomish County labor market is in continuous flux and the rate of change is accelerating. This requires more than periodic review of job openings and job requirements: it requires continuous monitoring and response. One aspect of ensuring a current system is to maintain and provide easy access to a current Demand/Decline list, which WDC will continue to do in partnership with Snohomish County's economist.

Another aspect of this objective is reaching out to target populations to ensure their capabilities, potential, knowledge, and experience is utilized. Efforts to reach out to mature workers, youth, and veterans can be used as examples of how WDC will continue moving this objective forward

The retention of skilled workers is a key global competitiveness strategy recommended in State, regional, and local reports. Many mature workers have the skills needed not only to support industry productivity but also to support effective succession planning. WDC will utilize WIA Title I-B resources develop products for presentation to industry that provides information about the services available through WorkSource to help them retain and retrain skilled mature workers. These materials will also include information about services available through national organizations that focus on the needs of mature individuals as well as information about best practices for engaging and retaining mature workers. WDC will work with national organizations that serve mature individuals as well as with State agencies and other stakeholders to include information about the assets that mature workers bring to the workplace in its materials.

WDC is focusing considerable effort on meeting the needs of veterans, many of whom are newly dislocated, in the County. All veterans' employment related services are coordinated with the Local Veterans Employment Representatives to ensure veterans' services are fully integrated into the system consistent with Jobs for Veterans Act requirements. Services to disabled veterans are enhanced through the work of the Disabled Veterans Outreach Program. Additionally, these services are expanded by the Employment Specialists funded through a Homeless Veterans Reintegration Program that operates countywide. These efforts are coordinated with the Snohomish County Human Services Department Veterans Assistance Program as well as the Transitional Assistance Program and the Disabled Transitional Assistance Program operated from the Navy's Family Support Center and the wide array of services provided by the Federal and State Departments of Veterans Affairs and veteran service organizations such as Veterans of Foreign Wars and the American Legion, to name a few.

The challenges being encountered by returning service members are increasingly well documented in a number of reports, including several recently released by the Government Accountability Office. The long-term plan of the Veterans Services Steering Committee, comprised of the Snohomish County Department of Human Services, the WDC, and Washington State Employment Security Department, is to create a network of service providers through which all current and returning Snohomish County veterans can obtain all services needed to reenter life in the community and return to work in jobs that utilize their skills and experience in as short a time as possible. These services will be aligned to ensure every veteran is able to move from in crisis/at risk to thriving in every life domain in the Snohomish County Self-Sufficiency Matrix. WDC will continue to utilize WIA Title I-B formula funds and apply for Veterans Innovation Program, Rapid Response Additional Assistance, and National Emergency Grant funds as needed to meet the workforce development needs of Snohomish County veterans and other residents in

transition. WDC will also continue to work with and support our Veterans Services Steering Committee partners in the pursuit of additional resources as needed to meet the needs of our growing population of veterans with an urgent focus on the veterans returning from campaigns in Iraq and Afghanistan.

These and other such activities align with the Workforce Board's objective of connecting adults with barriers to employment and training with education and career pathways that lead to self-sufficiency.

**Goal 3 - 100% Employment - To achieve a WorkSource system that is able to help 100% of job seekers obtain and retain employment in Snohomish County.**

**Objective 3.1 - Champion a workforce development system that actively monitors and fosters continuous and creative improvement.**

*Strategy 3.1.1 – Identify meaningful metrics to measure outcomes and performance.*

*Strategy 3.1.2 – Be an ambassador for an effective workforce development system that demonstrates successes and continuous improvement.*

As state above, WDC is committed to providing a best-in-class recruiting process that meets the needs of business, industry, and all employers. Training will be provided to WorkSource staff and evaluation methods will be implemented to measure success and guarantee continuous system improvements.

Also, as above, these efforts are designed to impact the Workforce Board's objective of maintaining a WorkSource system that provides integrated and effective customer service without barriers associated with separate, individual programs.

**Objective 3.2 - Partner with other allied organizations to assist in the attraction, recruitment, and retention of a skilled workforce.**

*Strategy 3.2.1 – Identify partners who are resources for employment information.*

*Strategy 3.2.2 – Develop a defined process for identifying and communicating all regional job opportunities.*

WDC will expand partnerships with organizations to market career opportunities in order to attract, recruit, and retain a skilled workforce. WDC will continue working with industries to identify and market their career opportunities. These efforts are being supported by ongoing job fairs, including targeted job fairs for youth, mature workers, and other populations as needed, that bring youth, adults, and industry together. WDC will continue to utilize WIA Title I-B resources to expand partnerships with industry and impart information about their opportunities.

WDC will also invest WIA Title I-B resources in establishing a WorkSource presence on local community and technical college campuses. The staff stationed on campus will actively engage in outreach to students are nearing completion of their technical training programs to facilitate connection to industry businesses in need of their skills. Staff will collaborate with college staff to jointly host job fairs and hiring events. Staff will also work with local college staff to find out-of-county students to fill Snohomish County job openings when local students are not available.

**Objective 3.3 - Ensure by regular measurement a first-rate job order and matching process is in place.**

*Strategy 3.3.1 – Identify appropriate measurement.*

*Strategy 3.3.2 – Use data to design appropriate processes for job orders and matches.*

As stated above, WDC is committed to providing a best-in-class recruiting process that meets the needs of business, industry, and all employers. Training will be provided to WorkSource staff and evaluation methods will be implemented to measure success and guarantee continuous system improvements.

Also, as above, these efforts are designed to impact the Workforce Board's objective of maintaining a WorkSource system that provides integrated and effective customer service without barriers associated with separate, individual programs.

**Objective 3.4 – Ensure the right services are being delivered at the right time in an ever-changing environment.**

*Strategy 3.4.1 – Identify current environment and services needed.*

*Strategy 3.4.2 – Design and deliver services and measures for effectiveness.*

Services to dislocated worker services must be delivered in the right way and at the right time in order to be effective. Additionally, services must be flexible in order to meet the ever-changing needs of a rapidly changing environment. WDC's Rapid Response activities are designed to coordinate transitional services, at the earliest point possible and using the most relevant tactics, for businesses and workers affected by mass layoff or plant closure. Rapid Response activity is triggered by a WARN notice received by Washington State Employment Security Department in Olympia or a public announcement of downsizing, buy-out, or closure. Actual services provided may vary, depending on the size of layoff and interest from vested parties but may include in-plant orientations, Job Hunter workshops, and packaging of training programs utilizing all available resources for laid off workers.

All dislocated worker services are delivered through a one-stop model and are offered both on-site and at WorkSource Centers as appropriate. This model includes facilitated intake and assessment and comprehensive referral to training programs. Dislocated workers receive an assessment to identify transferable skills. This is followed by assistance with conducting an employment search to identify employment opportunities that offer targeted earnings replacement. Each dislocated worker is assisted with placement or with researching the labor market demand occupations that are appropriate for retraining. Within the overall program design, the resources of financial aid, Worker Retraining, Unemployment Compensation, Temporary Unemployment Extended Compensation, Training Benefits, Trade Adjustment Assistance, WIA, and other funds are combined to create a comprehensive financial plan. Program offerings to workers can include customized training opportunities that respond to labor market growth and trends, particularly in locally targeted industry clusters. Prevocational training can be offered as necessary for dislocated workers who may be lacking basic skills, English language skills, or other work readiness skills. Staff coordinates support services as necessary for dislocated workers who lack financial support to sustain activities or training required to return to the workforce.

**Goal 4 - 100% Ever Increasing Productivity and Prosperity – To achieve a WorkSource system that is able to help 100% of businesses and job seekers continuously enhance their productivity and prosperity.**

**Objective 4.1 – Continuously identify skills and workforce challenges of the future and direct initiatives to advance those opportunities.**

*Strategy 4.1.1 – Lead the Blueprint 2015 partnership.*

*Strategy 4.1.2 – Identify and promote changes to workforce regulations that will better enable career development.*

Quality labor market information is critical to successful implementation of WorkSource. WDC utilizes the excellent products developed by Washington State Employment Security Department's Labor Market and Economic Analysis Division, including the WorkSource Explorer on-line suite of products, and Strategic Advantage to develop plans and provide high quality career planning information to partner staff and WorkSource customers. This data is supplemented through studies commissioned by the WDC and those provided by Blueprint 2015. The results of these studies are used specifically to match WIA participants with training programs and facilitate their entry into targeted industry cluster jobs with career advancement potential.

The WDC also holds a number of events annually to impart high-quality labor market and trend information to businesses and job seekers and to enhance the career awareness of Snohomish County youth. WDC will continue to utilize WIA Title I-B formula, 10%, and Rapid Response Additional Assistance funds to conduct such studies and hold events to impart high-quality labor market and trend information to business and enhance the career awareness of Snohomish County youth and job seekers.

*These strategies, especially leading the Blueprint 2015 partnership, directly align with the Workforce Board's objective of strengthening Washington's economy by focusing on industry clusters as a central organizing principal.*

**Objective 4.2 – Research and develop initiatives to advance the growth of high-wage, high-skill opportunities and career in targeted clusters.**

*Strategy 4.2.1 – Support and inform Blueprint 2015.*

*Strategy 4.2.2 – Develop career foundation initiatives and products.*

*Strategy 4.2.3 – Develop cluster-specific initiatives and products.*

WDC is taking a leadership role in mapping career trees and development career exploration tools that incorporate the trees and related information for use throughout the K-20 and CTE system and WorkSource, as well as by community and faith-based organizations, parents, and job seekers. WDC is committed to utilizing WIA Title I-B resources to developing career foundation initiatives and products as well as cluster-specific initiatives and products. These tools help youth, parents, and job seekers make informed choices about career opportunities in targeted industry clusters. WDC is also using other resources, such as AmeriCorps\*State Program funds to support the widespread distribution and use of these tools throughout Snohomish County.

*As above, these strategies, especially leading the Blueprint 2015 partnership, directly align with the Workforce Board's objective of strengthening Washington's economy by focusing on industry clusters as a central organizing principal.*

**Objective 4.3 – Support the advancement of selected initiatives through messaging and technology.**

*Strategy 4.3.1 – Enhance technology infrastructure for universal access.*

*Strategy 4.3.2 – Increase awareness and use of products and initiatives.*

One aspect of universal access is meeting the needs of individuals needing assistance technology. WDC will continue and expand partnerships needed to provide individuals needing access to assistive technologies with equal opportunities to benefit from WorkSource services.

WDC is also concerned with using messaging and technology to make WorkSource services accessible and visible to underserved regions of Snohomish County. WDC will utilize WIA Title I-B formula funds to develop streamlined processes for organizations throughout Snohomish County to apply for and become certified as WorkSource sites. This includes organizations that specialize in services to target populations. WDC will also utilize its Title I-B formula resources to aggressively recruit and support high schools, colleges, libraries, and other entities throughout Snohomish County to become WorkSource host sites. WDC will support the provision of training and technical support to these newly created system portals county-wide.

The creation of new system portals as described above will play a key role in the ability to provide training programs at locations county-wide. WorkSource system will increasingly use evening classes, distance learning, hybrid instruction, on-line courses, and other options to provide youth and job seekers with training programs at times and locations that meet their needs. The use of hybrid and distance learning options frequently ameliorates the need for financial support services to overcome the barriers to training. When such barriers persist, system service delivery staff will continue to utilize a host of support services accessible through WorkSource and an extensive community network.

#### **Objective 4.4 – Promote and implement initiatives that advance productivity and prosperity.**

*Strategy 4.4.1 – Deliver career foundation and advancement products and initiatives to youth and adults.*

*Strategy 4.4.2 – Provide group and individual career planning and advancement services.*

A central component of success for WorkSource in meeting the needs of youth and adult job seekers is the integration of services with other career development programs. In particular, the efforts of school district career centers, vocational services, tech prep, and other programs that assist students with career assessment and job opportunities will be linked to WorkSource. This will occur both through web-based tools and through the coordination of products and training offered by Washington State Employment Security Department and the Workforce Development Council. WDC will continue to use WIA Title I-B formula and 10% resources as available to create developmentally appropriate, universal access products including targeted industry cluster career trees, pocket résumés, and curriculum for youth and adult job seekers, both directly and through subcontracts; disseminating these products; and providing training to schools and youth serving agencies throughout the community.

WDC will also continue to target Workforce Investment Act Title I-B Youth Program funds for service to in-school youth toward school districts and schools that design programs that work with youth and families to create individual plans for academic excellence, completion of culminating projects, on-time graduation, and entry into a 13th year plan. WDC will also continue to support the engagement of AmeriCorps Members funded primarily through the AmeriCorps\*State Program in support of this effort. Further, an important strategy for increasing productivity, enhancing prosperity, and preventing worker dislocation is to assist companies to continually upgrade worker skills. WDC uses WIA 10% funds to support local demand side training for incumbent workers in locally targeted industry clusters. Additional opportunities for providing customized incumbent worker training will continue to be sought including through the possibility of a request for a waiver of WIA requirements.

WDC will also continue supporting WIA participants in IDA programs and other program leading to financial literacy and self-sufficiency. WDC partners with United Way of Snohomish County to provide asset building opportunities for low-income Snohomish County job seekers and workers to help pay for additional education and training opportunities as well as for entrepreneurial start ups. These financial asset development opportunities include programs that match individuals' contributions to IDAs. WDC will utilize WIA Title I-B formula resources to pay for service delivery provider staff time to support WIA-eligible participants in the WDC/United Way IDA program, Build for Tomorrow.

As part of Build for Tomorrow, WDC is providing financial literacy courses at WorkSource centers and other community organizations. These courses include checking and savings, lending basics, budgeting and your credit, and credit card basics and are promoted to all WorkSource job seekers. Sessions are available in Spanish and English and are a prerequisite to obtaining an IDA. These tools are being coupled with financial asset development efforts such as the Earned Income Tax Credit initiative currently being implemented by the United Way of Snohomish County. WDC will utilize WIA Title I-B formula resources to work with the Snohomish County Human Services Department and United Way of Snohomish County, our Financial Asset Development Steering Committee partners, to develop and expand the menu of services available to youth and low-income adults to increase their prosperity and reinvest in Snohomish County.

## **PLAN DEVELOPMENT AND PROCESS**

With the assistance of Andrew Ballard of Marketing Solutions, Inc., the Board of Directors and staff leadership of WDC engaged in a one evening and one day strategic planning process in early February 2009 to develop this Plan. Prior to the Board strategic planning process, WDC also engaged in a broad-based discussion with stakeholders and heard from community members at two community forums held

on February 3, 2009. Comments from the discussions and forums were provided to the Board during the strategic planning process and considered by Board members to be an important and informative contribution of the process. With the Board strategic planning process complete, the draft Plan was published on the WDC website for public comment on February 14, 2009. A widely disseminated email inviting the public to review the draft Plan (including the Snohomish County Executive and Workforce Board) was sent on February 17, 2009. The public review and comment period on the draft Plan extends for the required minimum of 45 calendar days, ending March 30, 2009.

WDC received the following comment during the public review and comments period:

“Thank you for the opportunity to comment on the WDC Strategic Plan 2009-2011. I would like to see the plan more specifically address the issues faced by the aging workforce. Although there is some mention about the aging population and the numbers of baby boomers nearing retirement, there are no goals or objectives that address this issue. This is an issue and concern of employers, employees, and, with the economic downturn, retirees who may have to return to the workforce to make ends meet. As part of the 2009-2011 Plan, I would urge WDC to create a strategy to engage in a planning process for addressing the issues of the aging workforce in Snohomish County. Snohomish County Long Term Care & Aging would be glad to be a partner in that endeavor. Again, thank you for the opportunity to comment.”

In response, WDC will continue to be a committed partner in the Snohomish County Senior Consortium. WDC will engage partners, stakeholders, and community members in addressing the issues of an aging workforce in Snohomish County.

WDC will create the final draft of the Plan from March 30, 2009 through April 14, 2009, on which date WDC will place the Plan on the WDC Board Secure website for Board review. The WDC Board will vote whether to approve the Plan during its scheduled Board meeting on April 21, 2009. The final Plan will be provided to the State no later than April 30, 2009.

This Plan has been designed to be an interactive, living document. The Plan serves as a starting and review point to implement the vision, mission, and goals of the WDC. Further detail will occur in the implementation of ten-year objectives and two-year strategies. Additional shaping of the Plan will result from ongoing changes in the Snohomish County labor market as well as continuous improvement processes and performance results. WDC will continue to solicit input as it updates the Plan. WDC may expand upon its development process to create amendments to this Plan. Specific procedures include:

1. Presentation of Plan preparation instructions and extensive background materials to the Executive Committee and full Board of Directors. The establishment and prioritization of goals and objectives will be made during this process.
2. Engagement of all WDC staff in the development of strategies designed to achieve the Board-driven goals and objectives for Board review.
3. Presentation of the draft plan to the WDC’s Youth Council and to WorkSource partners and the community in a community forum. Presentation of the Board of Directors priority goals, objectives, and strategies will be made and partner and community input on the goals, objectives, and strategies will be obtained during this process.
4. Presentation of the draft Plan to the Snohomish County Executive for review and feedback.
5. Incorporation of Snohomish County Executive and community forum feedback into the final plan approved by the Board for submission to the County Executive.

## ACKNOWLEDGEMENTS

WDC thanks the following representatives from Snohomish County Government, the WDC Board of Directors, and the Board's Youth Council. We also thank community forum participants and WDC staff.

**Matt Bench** – WDC Board member – Employment Security Department  
**Steve Burch** – WDC Board member and Youth Council member – Sno-Isle Tech Skills Center  
**Cynthia Burns** – Youth Council member – Center for Career Alternatives  
**Darrell Chapman** – WDC Board member – IBEW Local 191  
**Daria Consiglieri** – Youth Council member – WorkSource Lynnwood  
**Patty DeGroodt** – WDC Board member – Providence Everett Medical Center  
**Gwen Delp** – WDC Board member – Everett Community Service Office  
**Cathy Feole** – WDC Board member – Master Builders Education Foundation  
**Bud Fishback** – WDC Board member and Youth Council member – The Boeing Company  
**Stan Fukui** – Youth Council member – Community representative  
**Sandra Fowler-Hill** – WDC Board member – Everett Community College  
**Deb Gall** – Youth Council member – Snohomish County Human Services  
**Jerry Goodwin** – WDC Board member – AMT, Inc.  
**Jean Hales** – WDC Board member – South Snohomish County Chamber of Commerce  
**Lisa Hanks** – Youth Council member – Community Trades and Careers  
**Ralph Homan** – Youth Council member – Wells Fargo Bank  
**Ken Hoover** – WDC Board member – Monroe School District  
**Linda Johannes** – WDC Board member – Everett Mall  
**Tim Julius** – WDC Board member – Tulalip Resort Casino and Spa  
**Patrick Keaty** – WDC Board member – Aviation Technical Services  
**Sandra Kelly** – Youth Council member – Lakewood School District  
**Deborah Knutson** – WDC Board member – Snohomish County Economic Development Council  
**Andrew Le** – Youth Council member – DSHS  
**Angel Lopez** – Youth Council member – Center for Career Alternatives  
**Julie Lord** – WDC Board member – Employment Security Department  
**Phil McConnell** – WDC Board member and Youth Council Chair – Work Opportunities, Inc.  
**Carol McCabe** – Youth Council member – Edmonds School District  
**David McCrea** – WDC Board member – Horizon Bank  
**Jerri Mitchell** – WDC Board member – Catholic Community Services  
**Suzanne Monteiro** – WDC Board member – Division of Vocational Rehabilitation  
**Stacey Norman** – Youth Council member – Job Corps  
**Brian Parry** – WDC Board member – Snohomish County  
**Dale Peinecke** – WDC Board Chair – Giddens Manufacturing, Inc.  
**Anny Penny** – WDC Board member – Edmonds Community College  
**Frank Prochaska** – WDC Board member – Association of Western Pulp and Paper Workers  
**Michele Rastovich** – Youth Council member – Snohomish County Community Mobilization  
**David Remlinger** – WDC Board member – Lord Hill Farms  
**Cathy Schindler** – Youth Council member – Housing Authority of Snohomish County  
**Melvin Sheldon** – WDC Board member – Tulalip Tribes  
**Don Shove** – WDC Board member – IAM 751  
**Louise Stanton-Maston** – WDC Board member – Everett Chamber of Commerce  
**Ken Stark** – WDC Board member – Snohomish County Human Services  
**Terry Sweeney** – WDC Board member – Philips Medical Systems  
**Jeffrey Tomson** – WDC Board member – Machinists, Inc.  
**Jan Vance** – WDC Board member – Greater Edmonds Chamber