

Workforce Challenges in Economic Development, Higher Education and Labor

High Skills, High Wages 2012
Environmental Scans



Workforce Training
And Education
Coordinating Board

Workforce Challenges

- Skill Shortages
- Aligning Workforce Training And Education With Industry Needs
- Low Educational Attainment and Completions
- Affordability of Higher Education
- Access to Lifelong Learning
- Limited Investments



Challenge: Skill Shortages

- Annual job openings: Mid-level: 38,000
Bachelor's level: 33,000
Graduate level: 19,000
- Annual skill gaps*: Mid-level: 9,000
Bachelor's level: 10,000
Graduate level: 9,000
- Result:
 - Imported labor
 - Decreased state competitiveness (business attraction and retention)
 - Workers with skills that are mismatched to our economy

*The number of completers needed to meet the skill gap assumes no net importation of workers.



Solutions/Best Practices

- Focus on (mid-level) high demand fields: health professions; installation, maintenance and repair; manufacturing and production; accounting and bookkeeping; protective services; and science technology.
- Health care and aerospace training funds
- High employer demand funds
- Opportunity Partnership Grants
- Opportunity Internship Program



Solutions/Best Practices

- German dual system: Partnership between employers, employer associations, youth, their parents, schools, and labor.
- West Virginia Learn and Earn Cooperative Education Program
- Oregon, Kentucky and Michigan programs that streamline industry needs with local colleges



Challenge: Aligning Education and Training with Industry Needs

- Need to better align education and training programs with industry needs in a shifting economy
- Importance of business collaboration with workforce and economic development
- Chasing the labor market: Takes two to three years to train for new jobs
- Predictability of employer needs and anticipating hiring and training needs in anticipation of economic recovery
- Demand for customized training to allow employers to grow their own skill-sets to meet their needs



Solutions/Best Practices

- Industry and educational institutions communicate about the types of job skills our economy demands.
- Industry Skill Panels
- Unemployment insurance commissioner-approved workplace training
- Centers of Excellence
- Job Skills Program and Customized Training Program
- Air Washington/\$20 million DOL aerospace and advanced materials manufacturing grant
- Healthcare Personnel Shortage Task Force
- 2009 WIA Governor 10% funding used for training in high-demand occupations
- 2SHB 2156, Coordinating Aerospace Training
- Building Workforce Partnerships Conference, California
- Industry-Recognized Credentials



Challenge: Low Educational Attainment and Completion

- Low rates of entry into postsecondary education
- Low completion rates at all levels
- High rates of remediation: lack of preparation and skill atrophy (math in particular)
- Developmental education
- Income barriers
- Decreased apprenticeship opportunities due to economy
- Lack of guidance and access to career information in the secondary system and for adult workers
- Lack of capacity in high demand programs



Actions to Address Challenge

- **State Board of Community and Technical Colleges**

- Student Achievement Initiative
- Student Completion Initiative
- Expanded I-BEST programs
- Applied Baccalaureate programs

- **Legislative**

- Increased state funding for education and training in high demand STEM occupations
- Career Pathways
- SHB 2673: Federal OJT funds for DOT projects to increase diversity
- SB 6289: Facilitating self-employment training.
- Student Achievement Council



- **Other:**
 - Career Bridge
 - Prior Learning Assessments, Dual Credit Opportunities
 - Online and hybrid programs
- **Effect of Technology**
 - Jobs are more complex
 - Online technology
- **Costs**
 - High rates of unemployment, particularly among youth
 - Increased demand for public assistance
 - Unmet industry labor needs
 - Slower economic recovery

Challenge: Affordability of Higher Education

- Decreased State funding
- Increased tuition costs
- Increased postsecondary enrollments
- Changes to financial aid
- Increased debt load
- Changes to Federal PELL grant eligibility: ability to benefit and gainful employment



- Actions to Address Challenge
 - Opportunity Grant
 - State Need Grant
 - Eligibility for part-time students

- Technology
 - On-line education

- Private sector engagement
 - Industry contributions

- Costs
 - Decreased access to postsecondary education
 - Increased debt load

Challenge: Access to Lifelong Learning

- Engaging youth in career pathways
- Apprenticeship, skill upgrade training, and degree completion for incumbent workers
- Re-engagement of adults who have some college credit, but no certificate or degree
- Retraining for unemployed workers



Actions to Address Challenge

- HB 2170 Career Pathways bill
- Opportunity Partnership Program
- Opportunity Internship Program
- Learning Laboratory Partnership Project
- Lifelong Learning Account Legislation, ESB 6141
- Increased Funding for Worker Retraining, 2009
- Workforce Board DOL Grants
- Increased Funding for Worker Retraining
- Retooling Washington's Workforce



Challenge: Limited Economic Development Investments

- Economic development funding has been significantly reduced nationally and locally, affecting workforce programs.
- Fiscal efficiency within state agencies and organizations is more critical than ever.
- Despite the recession, workforce shortages in industries like health care and aerospace persist.



Solutions/Best Practices

- Strategically target limited resources towards clusters to allow for better planning, coordination, and service delivery.
- Focus on skill sets and education in regional economic development strategy.
- Ensure that education and training cutbacks do not interfere with training in high demand fields.
- Form public-private partnerships to help private industry provide financial support for workforce development.



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