

May 19, 2008

Intracoastal Region Marine & Advanced Cluster Academy, Anacortes, ESD Resource & Training Center

The Intracoastal Region encompasses the WDA service areas of Pacific Mountain WDC, Olympic WDC, and Northwest WDC.

Gay Dubigk, Northwest WDC Director, provided introductions of the hosts for the event.

Director Dubigk noted the following resources incorporated inside of the hosting service areas:

- Skagit Valley College: Center of Excellence for Marine Manufacturing
- The Port of Bellingham's successful IPZ authority
- The region was one of the two proposals that was sent forward from Governor Gregoire for the recent federal WIRED Grant opportunity
- Significant additional dollars leveraged from the initial skill panel investment

Dubigk challenged the audience to think of clusters as drivers instead of numbers.

- What's needed to improve competitiveness?
- What are you going to measure?
- What do you want the report to look like?
 - Work backwards: Start at the Report..... (look on pp) plan, policy, strategy
 - Cultural values: Social consensus, one stop shopping, ease, political leadership, money.

Comments:

1. Cluster: There has been major growth in the marine infrastructure – docks, marinas, fueling facilities, marine parks and the popularity of the Puget Sound waters for recreational boating. Additionally, the large yacht market has been solid, and the DOD is doing big business with local manufacturers. This Cluster grew due to the market opportunity to expand.
2. Everyone is working diligently to get where we are now. Government (federal, state and local) has seen this as the direction we want to move.
3. These three groups represented here today are a cluster – please don't reduce their scope. There are similarities in the proposals that all can expand on.

Dr. Hart Hodges, Director of the Center for Business and Economic Research, Western Washington University – The regional economy and its key industries:

Dr. Hodges presented a power point presentation (attached) that overviewed the economies of Whatcom, Skagit, Island and San Juan Counties. The presentation provided considerable background on the cluster concept noting the success of other areas who have utilized the systematic approach.

Cheryl Fambles – WIRED (Pacific Mountain)

WIRED has provided their region with funds to: Develop a regional identity and to integrate regional assets within economic development, education, and workforce agencies. One of the initial steps was to create a set of “Guiding Principles.”

As an example of one of the projects, we are working to get young people employed by having them access the system by talking to them where they are reachable.

Comments:

- An example of the effective use of the principles was noted based on the question: “With all that federal funding, didn’t everyone line up at your door?” Cheryl explained...A Community College approached WIRED about some equipment for a program connected to one of the areas WIRED is working on. After a meeting to fully discuss their project, the Community College re-evaluated the request and decided to go back and see if this really is a demand. Cheryl then made the point that WIRED would not be able to take care of all the Community Colleges.
- Why such small time frames to get an outcome? WIRED is a generation 3 - DOL grant and they determined the time frame. While the regional leadership gets it, the WIRED Team could not make any gains unless many more people were on the board in support of the project.

Bryan Wilson – Workforce Board

The Cluster Academies are designed to gain feedback and input from people around the state. We are asking them to formulate initial answers from their regional workforce and economic development plans.

The requests:

- Create a matrix of the various goals that are strategic.
- *Use the Five elements: (see slide)*

Possible proposals from the state for cluster support include but are not limited to:

- Common definitions of technical terms, i.e.: cluster, key industry, etc.
- LMEA would provide additional research on industry clusters to assist in the classification
- Place WDC’s in state statute to secure additional state support due to the declining funds from WIA
- Place Centers of Excellence into state statute so that the industry focused training and information resource is maintained

Dick Larman – CTED:

CTED is concerned about the ease of access and availability of support services at the regional level. How are these programs being implemented? As initial efforts to work on these and other basic problems facing the state and regional economic development efforts, CTED has made a series of commitments:

- Extended regional offices across the state.
- The recognition that economic and workforce development is a local/regional level process and opportunity.
- The alignment of the state goals with the regional/local plans so that they act in parallel and are in the same direction.
- The most basic nature of innovation requires support systems that are nimble and able for quick and continual change. Here in Washington, we seem to do that and we do it well.
- Future plans will look at ways to expand support to the regions and offer the potential of additional support funding. At present we can all admit to the fact that the state's response to local needs is not as good as it should be.

Jack Mills and Lindsey Woolsey:

Comments so far:

Olympic EDC – talking about this proposal at the ground level. The concern would be that it may be hard to implement this plan. We would need more foundational information about clusters. Right now the questions related to the LMEA data would be: How current, how old, and from what time period?

- Ed Brewster – complimented Dick Larman on his speech about the common enemy, agreeing that it is the real goal of Economic Development.
- We may need several meetings on what do we do next? The quantitative data will be critical if we are to successfully role some of this draft to the individuals who are eager to start.
- Do we know the difference between sector and cluster? Don't want to spend time on chasing data from Dr. Hart.
- Definitions on cluster and sector are also an issue nationally.
- Cluster or sector merely gives us substance that is inclusive. We have three areas that have similar industry needs. We need to expand our strengths. The potential mistake would be for the state to make cluster a holy grail. Please use as a framework only.
- Because the marine cluster is doing so well then why not focus on doing a better job. Continue the progress. We are on a roll here, and the state needs to recognize this.
- Marine and advanced manufacturing may not be the same. They are actually made up from many different business and material needs, because of all the industries that are part of that cluster.
- Some like grant structured time lines because they set the framework for productivity and the need to move forward.

- Clusters should look different because they stand out in a region. This recognition would support - skill based economic development. This would make growing our own the focus and framework for our actions.
- Wholesale vs. retail. System partnerships at the regional level present a different picture than at the state level. It never hurts to have an advocate at the state level.

Additional questions:

- How has the marine cluster created public systems in the region?
- How can the state help enhance this framework to help the regions?

Comments:

- Be sure to include labor along with employers

Mill's:...summary:

- The best industry partnership works with labor where it is representing the workforce.
- What are the goals from your standpoint?
- There is a theme about working with multiple employers.
- The issue of data and its reliability.
- What is going to make the difference as you leave today?
- In what ways the state can help improve its resources and delivery systems?
- Any Ah Ha's about the region?
- How can the vertical relationship strengthen?

Table discussions:

Group 1 - State:

- Outcome based funding needed, helps capacity.
- Facilitation up front.
- Funding that has an incentive for collaboration.
- Funding on key strategies' for the region.
- Funding that eliminates the silos.
- Incumbent and new worker training combined training.
- State is responsive, listening, sharing resources.
- Need more interaction with state and local level.

Region:

- The present structure doesn't allow for alignment resources
- Funding depleted (WIA)
- Identifying additional outcomes, incorporating business, continuing education (youth in HS and beyond)
- Communication is key, being engaged and being responsive
- Look at efforts and initiatives more broadly to keep people engaged

- WDC's are great conveyor and role should be maintained

Group 2 - State:

- Money needs to come with become better alignment
- Funding cuts are hurting the WDCs to do the governor's order and their job
- Change tax structure to benefit manufacturing
- No need to get into the statutes without appropriate funding.

Region:

- We need a pipeline of money coming into area
- Better timing of plans such as Carl Perkins
- Better strategic alignment in unison if a plan actually works instead of being shelf art
- Strategic alignment that the partners recognize but that development does take staff and money
- More flexibility to provide training for industries.

Group 3 – State/Region:

- In order to develop and retain critical partners and partnerships, resources will be required
- Regional specialties (clusters and emerging industries) need to be recognized within the state
- Adaptability and flexibility in terms of compliance that relate to regional and local conditions

Group 4 - State:

- State supplied – additional measures and metrics. So the locals can make more data driven decisions
- Funding

Region:

- Increase communication and effectiveness

Group 5 – State:

- We would like to be able to operate in the most flexible way as possible
- Strategies of this regional partnership are different
- The role of the economic development and workforce are going to change based on those strategies
- Level the playing field
- Urban and rural classification needs to be more clearly defined with appropriate resources assigned to the more rural areas
- Employers can do more too. Provide materials or facilities to provide resources for the businesses. Take a broader look at how they can bring individual and regional pieces together and give the locals assistance to do this. All members of the team need to be engaged all of the time
- Driven by priority instead of agenda

Region:

- Education, economic development, and workforce is aligned fairly well
- When we train workers its mostly general training so they are able to move to another community/technical college course
- We don't take advantage of the labor opportunities as we should
- Soft skills, employer driven on the demand side is essential.
- Need to be flexible and caviars of people
- Executive committee needs to be composed of specific people
- Keep everyone interested all the time
- Alignment of post secondary and k-12 education needs attention

Group 6 – State:

- Market the industry, find business resources and dollars
- We need to see the state demonstrate their support
- Provide incentive money for locals to align our selves
- Legitimize Workforce Development Council role
- Provide access to current data as needed at regional local.

Region:

- State funding is not always readily available. Look at other sources.
- Workforce needs to be included as economic development looks at business recruitment
- Clearly identify the key industries in the region and what and who are to support those key industries
- Common goals are needed to align economic and workforce instead of tripping over each other
- Build identity/alliance - a central place where partners can go to get a history of what system is in place, resources.

Mills:

- How do we all win? Industry focused funding?

Comments:

- It's not always a lack of funding. Sometimes it is a lack of the maturity of the partners. Sometimes we have to blame ourselves.
- When each partner understands, its community college is dependent on all the partners is when it is truly recognized as a "community" college.
- K-12, many are too comfortable where they are.
- Does industry need to lead the responsibility for incumbent workers and training?
- Retirements are coming up - baby boomers.
- We are going to experience a culture shift of education and experience.
 - Suggestions:
 - Listening and inviting our employers to the table. Business may donate dollars if this listening process is possible.

- Get youth to understand the link between education and jobs.
- How do we get to the parents, the primary influence for the youth? Make parents understand that these pathways exist.
- Need to balance employer's needs with those of the employees who have lives. An example may exist in the work that has been done in health care.
- The system needs education to be aligned with employers.
- Industry is not going to the legislature to plead the system's case.
- Industry needs to better understand the state's perspective and vice versa to better understand how they can work together.
- If you have to ask, you know it is broken.
- Some work in the same business but don't know what each does.
- Everyone's goal is not the same due to a lack of understanding. Some may be ignorant in not knowing what to ask. "If you are in the know, you know what to ask."
- Need to market the whole deal with all the resources instead of passing the buck.
- Connect to early learning to training, incumbent dollars, and flexible training dollars.
- The community colleges went to state asking for more incumbent dollars. They were very successful in that request 2 years ago.
- Endorsement of flexible funding.
- Common industry instead of region.
- There are some geographic obstacles so small business may have difficulties. Available workers are not always there necessitating marketing strategies to attract workers to that industry.

Mills': Underlining issues; need for information.

State policy:

- Possible to catalogue funding sources by industry cluster.
- List all the partners.
- Talk about flexibility and what can be done. So everyone can get to table and have synergy on this.
- Best practices should be catalogued and promoted.
- Workforce directory. New edition out this summer. It will list 40 some programs.
- The Economic Development Commission just authorized an inventory of the economic development programs and systems in the state. It should be available in the next couple of months.
- In the workforce area nothing comes out other than for health care.
- Looking for clusters already identified.
- We need to start at local level and identify what the needs are and let clusters come up around them.
- Group by cluster, industry, regions doesn't matter. Respond to the local needs is what is needed. That is bottom up instead of state top down.
- Request that the Workforce Board, CTED and the Economic Development Commission coordinate their planning. Suggest that the State Board (SBCTC) and OSPI be included.

- The tax in county that goes back to infrastructure. - Can that be set up to support incumbent workers and their training?
- Is there a plan on the horizon that can be supported?
- Don't understand the proposal! Is this authorization for the WDC, ADO/EDC to coordinate planning (Bryan's pp)? If so, then funding would be required to do that. If you want all three (WDC, EDC, ADO) writing and acting on a plan, then how do we get the ADO to adhere to it?
- How ADO's exist in system. Pac Mountain has 5. How would you set a plan in motion that is responsive to 5 different ADO's and what they need? How this coordination should be framed or shaped. Why was this set up in this manner to begin with?

Dick Larman:

ADOs were set up in 1984 by Governor Locke. They are "Children of the Counties" and their commissions/councils. They are part of the county government. This discussion needs to be with their associates and local elected officials in their own counties.

Is the real input at a community level with local leaders and county officials from the community taking place? It is important that this take place so that the community can respond.

Final thought on the feedback from the state.....

Mills:

If you ask yourself - at the state level....

- If the leaders wanted to do it, could they?
- If yes, is there a way for us to have some action to hold leaders accountable?

Two things:

- 1) Can we set policy set up so there would be understanding at the state level? And, if understood at the leadership level, then it could go forward.
- 2) Obviously there needs to be some capacity building in order to take on this effort at the high level.
- 3) # 8 on Bryan's PP file would include some ideas on how to tie in the locally driven amendments and direction and the use of the flexible funds.

How did the day go today?

What went well?

- Discussions were valuable.
- Foundational information ahead of time was good.
- Goal, objective in mind of the day.
- Participation was universally good with all individual tables.
- Great input.

- Dr. Hodges added value on the day.
- Looking forward to work after this.
- How we can move forward.
- We have moved forward today and will continue to do this.
- The 3 WDCs will be talking about next steps.

Eleni Papadakis

This kind of information will help us move forward and come together to make a difference in the policy. Our hope is that we can make large strides to help workers as the end goal. We will be working on that policy framework.

What didn't go well?

- We will need clarity on definitions/language.
- We should have had a quick individual introduction around the room.
- A lot of information was presented in the beginning. We needed a chance to have discussion earlier in the day.
- What are the next steps?
- A follow-up report? After all the academies are done?
- We want to know about all of the other meetings.
- Each entity should have reporting/notes to get back to the other sites.
- These could be blogged.
- Follow-up is the conference in Lynnwood at the Governor's Conference on September 3/4.
- Share presentation and handouts on website.
- Who is and isn't in the room. What is the next step with meetings? Who additional to invite.

Additional documents:

- Hart Hodges, Director of the Western Washington University Center for Business & Economic Research, Power Point File:
- Intracoastal Region Power Point File:
- WIRED Guiding Principals
- Mills/Woolsey presentation Power Point File:

