

June 10, 2008

Tacoma-Pierce Workforce Development Council (WDC) Cluster Academy, Hotel Murano, Tacoma, WA

The Tacoma-Pierce WDC covers Pierce County.

**Welcome and Introductions:**

Linda Nguyen, Director of the Tacoma-Pierce WDC introduced Eleni Papadakis, Executive Director of the Workforce Training and Education Coordinating Board. Linda also introduced Karen Stratvert a graphic recorder. Karen took notes during the academy and displayed them on the walls throughout the day. Linda then turned the microphone over to Eleni Papadakis. Eleni introduced, Dick Larman of CTED, and Jim Crabbe of SBCTC.

**Setting the Day's Expectations and Identifying Participants' Goals/Ideas**

Lindsey Woolsey went over the agenda and reiterated the goals for the day. The tables were asked to put down their expectations/key ideas for the day.

The goals were:

1. To elevate understanding of a series of draft state policy proposals regarding cluster approaches to workforce and economic development and provide the opportunity for regional input;
2. To strengthen regional planning, partnerships, and coordination of activities by using a cluster approach to workforce development, economic development, and education, and to seek commitments to ongoing efforts.
3. To build continued communication with state officials regarding policy development and regional strategy/activities, and discussion of ways the state can support regional activities, into ongoing regional efforts.

**Putting the Pieces Together at the Regional Level: Washington's Regions Setting the Bar**

Local Presenters:

Chris Strow, Principal Economic Policy Analyst, Prosperity Partnership (see PP). Chris described the roles and responsibilities of the Puget Sound Regional Council and Partnership Prosperity. He spoke about how the region is going to economically fit together, state tax policy and how it affects their area. He also talked about legislative efforts in regard to 4 year colleges, students in FTE slots, and students from the back end to the front end.

Chris identified five current clusters: Aerospace, Logistics and International Trade, Clean Technology, Life Sciences, and Information Technology (IT). He talked about the newly identified clusters; tourism/visitors industry, and military. Military contracting is increasing along with the increase in military population in the area. The Military will be here for the long term, regardless of the local economic development efforts. Tourism and the visitors industry have increased due to the increase in conventions. Tourism and its community presentation requirements are always in need for improvement.

### **Questions and answers:**

- What about the IT Cluster? The IT group continues to meet and produce outcomes.
- In regards to the economic development of the future of our region, how about alternative fuels and power for our economy? There are people looking at lots of innovative work going on and the work fostering there. There is a work group meeting the end of June. Alternative energy and power is at the forefront of those discussions.
- What about tourism? Not sure of the outcomes, but we have heard concerns that state policy makers don't understand tourism in our region. Some of the concerns appear to be about balance and budget to support tourism. The people co-chairing the tourism cluster group are going to be discussing a number of issues to be a part of those decisions.
- What about population influx? We are looking at those issues and have our economic development team at the table.
- What is the concept of cluster? The key characteristic of a cluster is the qualification of the employment risk. We look for an area of the economy that is creating jobs and able to survive in our economy. The data is based on jobs related to the industry. As an example: military includes, contracting ,active duty, civilian, etc.
- We are presently estimating that 1.7 million people coming into this area in a very short time period.

### **Dennis Loney, HR, REI, Chair, Tacoma-Pierce County Workforce Development Council** (see pp).

Dennis made the presentation for the Tacoma-Pierce County WDC in regards to youth, outreach, and the various services they provide. The WDC is held accountable by state and federal performance regulations. In 2001 we focused on healthcare and now we focus on logistics and transportation.

### **Questions and answers:**

- Some members of the audience were curious about the partnerships between Pierce County and others.
- WDCs are instrumental in helping the colleges.
- The WDC is trying to get information out to help everyone in the three areas of healthcare, logistics, and transportation. Logistic and transportation has not been kicked off yet. Working out the issues/funding to get it going. Construction and healthcare is still important.
- Many wanted to know about growth and green jobs.
- Lindsey Woolsey talked about the healthcare skill panel currently under evaluation with CSW.

### **Paul Turek, Economist, WA Employment Security Department** (see pp).

Paul made a presentation on LMEA. Sectors – quantitative; Clusters – qualitative.

### **Questions and answers:**

- Who is the hardest hit, transportation? It goes across both components.
- Who has the best financial ability to withstand that, healthcare? It isn't in the top five, but it is up there.

**Bruce Kendall, President/CEO, Tacoma-Pierce County Economic Development Board** (see pp).

Bruce talked about the Prosperity Partnership since its inception in 2004-2005. The Partnership was created because of the realization that we must compete globally as region, and that we had better ban together and organize or we will not be successful. Labor and capital moves through everything now. We started with 15 clusters and then identified five as the top drivers. We wanted to be able to deliver services to the local five clusters. We learned to talk about corporations as clusters and identified the military. Aerospace has 21 companies in Pierce, they employ more that 2400 employees. Logistics/International Trade is the largest in the Tacoma area due to the port operations. There are 43,000 jobs that directly or indirectly support port activities. Clean Tech is small here and everywhere else. However, it could grow to be a large cluster and globally competitive. Pierce County is a driving urban waters center and we are trying to grow that even more here. We also have a number of corporate head offices or regional offices. We are working on attracting more than we currently have. Tacoma has a good footprint in commercial banks.

**Questions and answers:**

- What about military? It was ignored in past, but the military has decided to leverage private contracts.
- Do cluster areas fit in primary and secondary business as discussed before? Yes, they do, in economic development; we are focused on primarily bringing in business. How much of a role and importance is having the right workforce in the ability to encourage more business? It is the single most important thing we do.

**David Graybill, President/CEO, Tacoma-Pierce County Chamber of Commerce** (see pp).

David made a presentation on Pierce County.

**Questions and answers:**

- A Defense cluster and its civilian impact? Military people have learned skills and discipline but still have to do training in the civilian world. There needs to be a certification without all the additional training. There is a history of a military workforce who has struggled in the region even with the value of their skills. This issue/process will most likely be a priority in the next legislative session. There is a military gap with no communication. Military work on sophisticated machines but they have great difficulty because that are not recognized as qualified in any apprenticeship process.

**Promoting What Works in Regions: A State Framework in Development**

**Bryan Wilson made his presentation (see PP).**

**Questions and answers:**

- Roles of the ADO? The county is the authorizing entity for an ADO who would then be charged to do economic development planning and business recruitment in their county.
- What about the \$5 million WIRED grant? There was some concern about sustaining it.

- What is WIRED? WIRED is a DOL grant program. Pacific Mountain WDC has one currently. The process is a proposal designed to pull workforce, economic and education entities together to enhance economic development growth and take an area and transform them to a more viable and focused economic region.
- The workforce board is promoting the effort to put Centers of Excellence (COE) and Workforce Development Councils (WDCs) in state statute. Bryan explained the need for the adoption of the language. He noted that the concept in statute can authorized state funding. Without it, no earmark funding can come from legislature for a COE.

**Dick Larman: made presentation (see handout sheet).**

No comments from the audience.

**Table-top Discussion of State Framework**

Jack Mills asked the audience the following questions:

- *Which proposals would be helpful to the region?*
- *How could they be made more helpful?*
- *Are there other legislative or administrative proposals that will benefit your region and fit with the State's new approach?*

These questions will be discussed in the lunch and plenary discussion of the state framework session.

**Lunch and Plenary Discussion of State Frameworks**

Lindsey Woolsey from the Corporation for a Skilled Workforce facilitated this discussion.

**Question:** *If you had to name the one big idea about what works from Bryan and Dick Larman what was it?*

- Having the Workforce Board, CTED, and the Economic Development Commission do the planning for workforce and economic development.
- Create a coordinating website so all entities involved can post their initiatives, ideas, etc. A one stop shop for all three areas.
- Support for funding LMEA to provide a local and regional qualitative and quantitative analysis.

**Question:** *What were the gap(s) you saw that may not have come out in the proposal?*

- What is the difference with current data, compared to what other data?
- Regarding Business being a partner in the public/private process of developing information – big divide.
- Current programs need to be amended to provide better flexibility and proficiencies so information is provided in a more efficient manner.
- Goals 1 & 2 of CTED plan. Very measureable and goal oriented.
- Not sure at the time whether they are able to grow the effort. We have to spend money. For smaller business it can be a problem.
- Comments: Bryan Wilson from the Workforce Board is not ready to call out existing changes at this time. If we are going to legislature, we will have to look at the current programs and make sure they are working as best as they can first.

**Question:** *What are the improvement areas that need to be looked at?*

- In order to survive we need the equipment to do the training. We need state of the art equipment, the same as industry is using. It isn't happening. This is an area that needs to be discussed more openly.
- We need a unified workforce that is updated every 2 years. Not always aligned. Streamline business needs to better serve them.
- One theme is mandating from the state level and how that hasn't worked in some areas. Having regional plans is better supported. This is an overriding theme. Let the locals tell the state what they want to do to align.
- Examples of local initiatives are: healthcare, construction. The group supported the value in coming together to support an initiative.
- Skill panels are good, but more is needed to determine what the local need(s) is and support what is working and continue to support it.
- Often when new money is offered, it comes down telling you that you have to do something else instead of enhancing what is already working.

**Question:** *In each instance, create a career pathway. People move up on that pathway. Is there a similarity?*

- If an employer can keep an employee then that is beneficial. If you invest in the person you have greater potential to increase the bottom line of the company.
- There is a conflict in the reference to community colleges. The goal is moving people into high demand and high wage fields. Sometimes circumstances didn't fit into that parameter. There is a need for flexibility to readjust.
- Bryan Wilson commented: Allocation of funds is a challenge with the amount of funding that becomes available. The goal is to offer money to everyone who comes together at the local level. There isn't enough money to do that. Sometimes there is money for the 12 WDCs, but when it's divided it doesn't seem worth it. The goal is always to have sufficient money for all. Unfortunately, there isn't enough money for everyone.

**Question:** *Next steps at the state level?*

- We have federal and state performance measures that don't compliment each other.
- Representing the K-12 system, we are going to educate students. If we are better able to balance our state money, we will be better able to provide education to the students. We have the capability to communicate with young people but we lack some of the needed skills ourselves.
- Bryan Wilson commented: We are conducting Cluster Academies the rest of the week. In the next few weeks, we will be in the period to receive thoughts and ideas in any of the areas. All of this will be going to our board meeting in July. Then we will start drafting language for the legislature. The draft legislative ideas will be posted later in the summer. Also, we are submitting our OFM package in September. Send thoughts and comments to his e-mail [bwilson@wtb.wa.gov](mailto:bwilson@wtb.wa.gov).

- Dick Larman commented: The first three academies are sounding very similar as if the same things need to happen. The Governor's Conference is Sept. 3-4 in Lynnwood, WA. There will be lots of opportunity for further discussions between workforce, economic development and education across the board. We will need to define the context for education. Send thoughts and comments to his e-mail [dickl@cted.wa.gov](mailto:dickl@cted.wa.gov).

### **The National Perspective: Regional Initiatives that Lead to Regional Vitality and State Support**

Jack Mills: made his presentation (see PP).

#### **Comments:**

**Question:** *How did Lancaster, PA get the involvement of the employers?*

By understanding the need to get investment by industry. See PP for industries that they were aimed at.

**Question:** *What role is research playing in 4 year colleges in terms of economic development?*

Have not seen much involvement from the 4 year institutions. A fair amount of work has been done in engaging in workforce and economic development. They should be the home of research, with a focus at the community level by engaging entrepreneurs, etc.

**Questions:** *What is the state role in promoting regionalism and moving the way they want to go?*

Having states understand their regional economic potentials so they can more directly support the regions efforts.

### **Creating the Region's Preferred Future: Taking Stock - A Goal Setting Discussion. Planning a strategy, and working together to further develop strategy and accomplish it:**

Jack Mills & Lindsey Woolsey facilitated this discussion. They asked what goals and strategies people had in mind.

#### **Goals:**

- Assemble regional unified voice with juice (get it done).
- Residents can live where they work and have access to training and economic development. That is anticipatable each step of the way.
- Different delivery options (especially for adults) in particular to career development.
- Have a common understanding and agreement of primary industry clusters. Align resources locally, regionally, and at the state to support strategies and identify industry clusters.
- Marketing occupations to industries, current workforce, and their parents.

#### **Strategies:**

- Well defined goals for the regional unified voice.
- Anoint the convener so there is no competition for funding.
- Have multiple short term outcomes instead of multiple long term outcomes.
- Have a unified workforce and economic development strategic plan that engages all stakeholders.
- Identify stakeholders that own the process of moving forward to include the workforce, EDC, and EDB.

- Develop a regional network mechanism to encourage collaboration, implementations, results, and evaluation of results by the network (to reinforce the juice).
- What is needed is a user friendly resource to help workers to figure out what is next for them; it would input all of the individual's skills and the resource would spit out what is next for them on their career pathway.
- Concerns about who is anointed to the table. The workforce development piece is important to the community but not the end of it. It goes beyond developing the workforce. It needs funders present for stability that support economic stability for individuals and the community.
- We need to develop a legislative agenda and then have a strategy around that to influence the funding of priorities with the criteria that there is flexibility in the funding to decrease the red tape. The goal is for a healthy community. Decrease the red tape!

#### **Going forward:**

- Sounds overwhelming, we need time to process this session.
- A regional unified voice could look different to others.
- We don't have a choice; we need to look at K-12 and K-20 to keep the luxury we have today.
- We need stronger business involvement, but they have to see us together instead of see us argue in the beginning of the process.

#### **Barriers:**

- People without papers, what does that do with training because they can't work legally.
- Too many restrictions on youth at work.
- Incentives to collaborate need coordination among agencies and barriers around funding.
- Reduce existing turf wars and the ones created when everyone is in the same room.
- Common definitions for high schools, as an example: Not all students need to enter a bachelor degree program; if that is the goal then it is a problem for everyone in the room.

#### **Final Thoughts and Thank You**

Linda Nguyen, Tacoma-Pierce County Employment & Training Consortium/Workforce Development Council

#### **What worked?**

- Better ideas about clusters.
- Great to have the background from an overall economic point of view then transition to the economic development piece. Now you have an understanding of why this is an important activity.
- The local presenters helped to get the people grounded.
- Because of timing, it isn't too late, still can start discussing strategically.
- There is a variety of backgrounds from the people in room.

#### **What didn't work?**

- List of all partners would help and cut down on acronyms.
- National perspective was long. Pick one example instead of several.
- The cluster vs. sector concept needs to be made as clear as possible, common ground and common language.

Linda Nguyen thanked everyone for coming and giving their comments.