Workforce Needs
Business/Industry Information

SKILLS GAP

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Workforce Development, Inc. Overview
Workforce Center Umbrella

Workforce Development, Inc.

Job Service
Vet Services
Vocational
Rehabilitation
Services
Workforce Development, Inc.

- Variety of programs and funding sources to serve all types and populations of job seekers
  - Dislocated Worker, Long Term Unemployed, Newly Unemployed
  - Workforce Investment Act, “Universal Customers”, Ex-Offenders
  - Youth Employment and Training, Work Experiences
- On-the-Job Training Opportunities
- Pre-employment Academies
- Job Clubs, Work Readiness Seminars, Job Fairs, Clothing Closet, Job Board, Youth Resource Area, Computer Classes

Skills Gap Information - Background

- Changing Labor Pool
- Skills Gap Survey
- Review of Employer Data
- Summary of Findings
- Next Steps – How can I get involved?
Working with a Changing Labor Pool

Projected Growth in Working Age Population in SEMN, 2000 - 2030

Unemployment Rates in Workforce Service Areas and Counties, Nov 2011
State of Minnesota = 5.2% (not seasonally adjusted)
Skills Gap Survey - Design

- Targeted living wage employers who have hired in the last 2 years
- 137 employers
  - 1% of employers
  - 27% of jobs
- Surveys conducted in person and online between 12/6/11 and 1/17/12

Skills Gap Survey - Sectors
Predicted job growth in 2012
- 30% expect growth
- 60% expect to stay about the same
- 10% expect to cut back

Most effective recruitment methods
(other than IBM & Mayo)
1. Promote from within
2. Employee referrals
3. Business associate referrals
4. Internet
5. WorkForce Centers/MN Works

Labor shortage indications
- 15% are now willing/able to pay hiring bonus
- 49% had to re-post an opening in the last year due to a lack of qualified applicants
- 31% report interviewing candidates for positions not open – building a pool
- 41% are concerned about the prospect of essential employees retiring in the next few years
- 33% have held job vacancies for more than 90 days due to lack of qualified candidates
Review of Data

### Positions most difficult to fill
- Administrative Assistant
- CNC machinists
- Welders
- Direct Care Professionals
- Engineer
- Electrical or General Maintenance
- Entry Level Positions
- Highly Skilled/Industry Specific Maintenance
- Management
- Machinists
- Nursing Assistants
- Production
- Quality Assurance
- Sales
- Special Education
- Warehouse

### General skills areas that staff need more training
- Computer Skills (51%)
- Basic Employability Skills (44%)
- Working as a team (40%)
- Problem-Solving skills (37%)
- Reading/writing/communication (37%)
- Technical Skills (32%)
- Supervisory/Management Skills (31%)
- Customer Service Skills (30%)
- Math Skills (28%)
- Conflict Resolution (28%)
- Process Improvement (26%)
- Ability to read and translate drawings/flow charts/diagrams (23%)

### Applicant and employee skills
- 61% of employers conduct pre-employment testing
- 33% of employers believe that the applicant pool does not possess the necessary skills
- 20% of employers believe their current employees do not have the technical skills needed to grow the organization
Most common soft skill deficiencies

- Communication skills
  - Being able to speak to someone, but also being able to listen well and give feedback
- Working as a team
  - All working towards a positive end result
- Problem solving skills
  - Knowing how to review issues and identify problem areas and then move through steps to a solution
- Basic employability/motivation
  - Importance of being there to do the job, even on a bad day

Locating and using information – most common deficient essential skills:

- Being able to read and compare graphs
- Being able to locate necessary information on a table
- Knowing how to set up and read a spreadsheet
- Being able to distinguish bias in data presented
Math Skills

Survey question –

How important are math skills to work as a ________________ in your company? (Critical Job Title)

- Basic Computation - 60% essential
- Measurements – 50% essential
- Decimals/percentages – 41% essential
- Fractions - 36%
- Tolerance/Conversion – 26%
- Statistical Comparison – 18%

Review of Data

Methods used to deliver effective training to employees:

- 68% use private colleges
- 61% use community colleges
- 41% use industry/trade associations
- 37% use universities
- 23% use private consultants/vendors
Review of Data

Other observations:
- 55% of employers are interested in an on-the-job training contract
- 60% of employers want more information on tax credits for veterans
- 20% want to build a “Smart Buyer-Supplier Network”
- 35% would be willing to sponsor an intern

Summary of Findings

We can validate Anthony Carnivale’s study suggesting 70% of future jobs will require advanced training beyond high school
- 86% of all jobs in the survey required more than a high school education to start
- 44% of employers – other than IBM & Mayo – required advanced training
- However, nearly 100% of those surveyed said on-going training is essential
Summary of Findings

We verified the perspective of the current Atlantic Monthly article, “Making it in America”

• The manufacturing industry is alive and well in this country, but too many young people don’t know it
• There is a growing gap between the skilled and un-skilled manufacturing employees

Summary of Findings

We have found that, generally speaking, when it comes to the importance and the relationship between technical skills and soft skills…

employers hire for attitude and fit, and then train for job-specific skills
Summary of Findings

Our results agree with a survey by FTI Consulting:

- A majority of businesses find the higher education system good to excellent, with room to improve:
  - Response time
  - Rigor
  - Relevance to employer's needs

Final Thoughts

Many of our critical industries and occupations are invisible to the public, especially in the manufacturing sector.

We need to pursue a regional marketing and awareness campaign.
Final Thoughts

• An increased use of internships/OJTs within the higher education system would be beneficial
• Giving “credit for prior learning” could jump start some people with their education
• A close working relationship between the MnSCU system and workforce development service providers would benefit both

What Next?!

• There are some innovative and motivated ventures in the community to tackle the “skills gap” – here’s just a few of them:
  – Workforce Development, Inc. – targeting training programs, short-term prevocational academies, work readiness training, On-the-job training opportunities, etc.
  – Workforce 2020 – “a community coalition of leaders who are committed to promoting a competitive educational and workforce development system for all. Workforce 2020’s primary role is convening partners around shared issues, goals, measurements and results.”
What Next?!

- All Hands on Deck – Governor’s Workforce Development Council’s sixteen ideas to strengthen Minnesota’s workforce – a challenge to education and training
- 2011 WorkForce Center Report – Addressing Gaps in Workforce Services and identifying unmet needs
- State of Manufacturing Survey released
- Publication – How to Create High-Impact Partnerships for Jobs and Economic Vitality in SE MN – A Call to Action for Employers, Workforce Development, and Community Colleges – SE MN Workforce Investment Board

We must share a common sense of urgency. It is time to move from analyzing America’s skilled workforce program to implementing solutions

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Success

Most people want to do a good job, be productive and succeed at what they do.

The ability to succeed depends on proper education and training, correct information, equipment/tools and materials.
Education and Training

Differences?
Education gives people the technical knowledge they need to succeed in their careers
Training focuses on honing skills needed to succeed

Some Barriers for Employees

Education/training delivery in a format that does not work for them
Unfamiliarity with expectations of employers
Lack of self confidence
Getting an employer to give them an opportunity even if they have little experience
Barriers in Education/Training Formats

Some people are kinesthetic learners (these type of learners have traditionally done well in industrial arts/lab type settings)
Some do not test well (a written test sometimes is not an accurate way to evaluate learning)
Many of these type of people are drawn to the building trades or manufacturing

Expectations

Sometimes employees (especially new) do not have a clear understanding of what the employer expects
A clear, concise orientation program is key followed up with mentoring/partnering
Self Confidence

It can be difficult for a person to have confidence in their abilities when their experience is limited (training is helpful)

Some Challenges for Employers

Finding employees that are motivated and realize a “Sense of Urgency”
Understanding generational differences
Getting employees that are willing to start at the bottom
Retaining good employees
A Sense of Urgency

Can depend on the type of work, although it could apply to just about any work situation or assignment.

Generational Differences

There may be a lack of understanding by the employer in regards to barriers created by age differences. Technology, parenting styles? Younger people may believe they “work to live”, instead of “live to work” like older generations. This may affect punctuality and attendance.
Good Employee Qualities (Dunwoody Institute)

- Demonstrates mutual respect, trust and collaboration
- High performance through continuous improvement
- Flexible and adaptive to change
- Actively seeks solutions to problems
- Provides feedback with recommendations for alternative ways of doing things
- Sense of Urgency

Qualities (cont)

- Challenges themselves to improve performance
- Accountable for actions, willing to admit mistakes
- Seeks out feedback and advice from supervisors / peers, takes action on positive and constructive feedback
- Is involved in community
Qualities (cont)

Builds working relationships
Responds to others appropriately
Acts maturely and professionally when faced with conflict
Good listener
Displays appropriate body language

Retaining Employees

Employers need to allow advancement from within to retain employees
Sometimes personal advancement means the employer might lose a good employee, but if that might create an opportunity for someone else from within
Some Specific Needs for Employers of Skilled Trades People

Safety Training - OSHA 10, OSHA 30 hour courses (General Industry and Construction)
Practical mathematic skills - measurements, fractions, conversion of decimals to fractions, geometry
Familiarity of equipment operation

Building Trades

Carpenters, Cement Finishers, Bricklayers, Construction Laborers, Electricians, Iron Workers, Plumbers, Equipment Operators, Elevator Installers, Pipe Insulators, Asbestos Workers
Getting Qualified Employees

Through apprenticeship programs, labor and management partner together to provide training not only for apprentices, but for journeyperson upgrading or skills enhancement for all.
Funded and managed by both.

State Registered Apprenticeship Programs

Earn while you learn.
All have a work hour and related training requirement – Carpenters require 7000 work hours, 568 hours related training (credit can be applied for previous vocational training).
Journeyperson card awarded upon completion.
Building Trades Might Specialize
Carpenters- Concrete formwork, doors and hardware, ceilings/ floors, interior systems
Electricians- Low voltage, high voltage
Construction Laborers- Concrete, masonry tending, underground pipe
Plumbers- Pipefitting (welding), new construction, service work (repairs)

As a worker becomes more specialized, more travel might be required
Workers with the best all around skills and experience have a greater chance of continuous work during slower times
Conclusion

Most people can succeed if they have what they need.
Attention to differences in learning styles, generations and other factors are important to success.
If specific training and education are not available through other ways, it can be up to the employer to provide what is needed.