

Vision of a Demand Driven Workforce Investment System

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EMPLOYMENT AND TRAINING ADMINISTRATION
UNITED STATES DEPARTMENT OF LABOR

Our Mission

- To contribute to the more efficient functioning of the U.S. labor market by providing high quality job training, employment, labor market information, and income maintenance services primarily through state and local workforce development systems.

Workforce Development = Economic Development

- Building and retaining a qualified and productive workforce is essential to enable every U.S. business to be successful, to promote job creation, and to grow our nation's economy.

21st Century Economy

- Globalization - increased competition from and interaction with global corporations;
- Diversity - changing composition and increasing diversity in our workforce;
- Technology - increased use of technology that is rapidly changing the workforce; and
- Skill Gaps - the increased demand for high-skilled workers with some post-secondary education and training.

The Vision: Create a Demand-Driven System

- Knowing where the jobs are – both new jobs and current jobs that may be changing
- Knowing the skills and competencies necessary to do those jobs
- Understanding the labor market context
- Strategic investment of \$11 billion public workforce system resources
- Working collaboratively with business and training providers to develop workforce solutions

A Demand-Driven System is....

- Future-Oriented
- A Catalyst
- A Resource of Human Capital



Expectations for our Workforce System

- The workforce system is the catalyst that accesses human capital for businesses; employers define the skill requirements for the jobs they create/make available, and community colleges, other training providers and apprenticeship programs teach the skills and tailor programs to meet employer demand.

How is this approach different from the past?

- Begins with analysis of the economy and the labor market and not with individual participants or target populations
- Views the public workforce system as a solutions tool to address labor and skill shortages through outreaching to untapped labor pools and training for growth occupations.
- Looks to business, industry, and economic development entities as partners in workforce development, not just customers
- Expects One-Stops to become catalysts in the community to address the workforce needs of local employers.

What does this mean for our current workforce system?

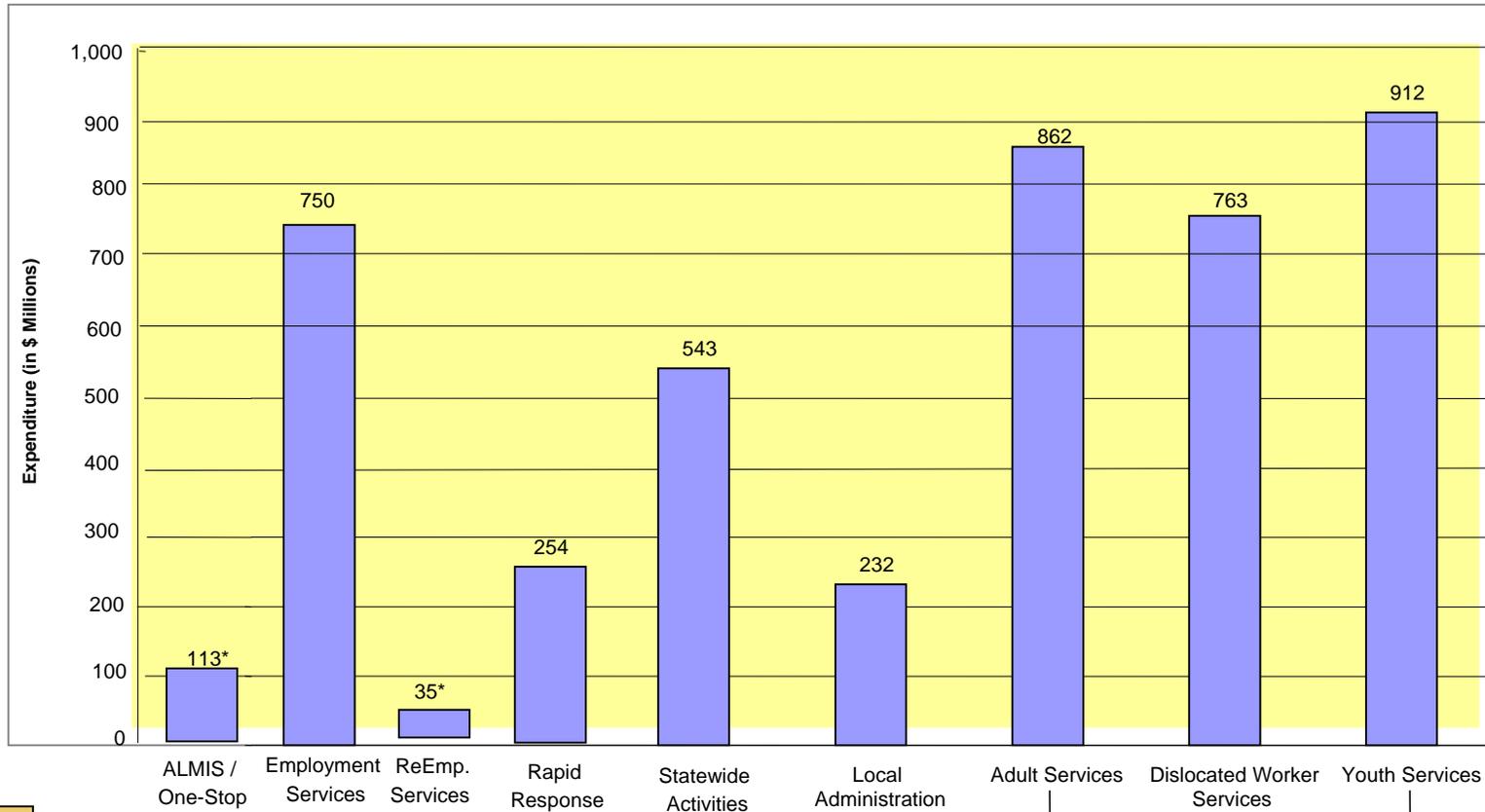
Workforce Investment System leaders must:

1. Understand the demographics of the workforce area;
2. Be knowledgeable about current and future labor markets;
3. Be aggressive in seeking to participate in economic development activity in their areas;
4. Deal directly with businesses and industries that are creating jobs;
5. Be directly in contact with educational institutions; and
6. Act as a catalyst in communities to bring together business, education, and workers.



Demand Driven System Funding

PY 2002 Workforce Expenditures



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* = Obligation

- Includes :
- Services to Non-Registered Participants
 - Planning and Oversight
 - Workforce Boards
 - Performance Tracking and Management
 - One-Stop Centers and One-Stop Management

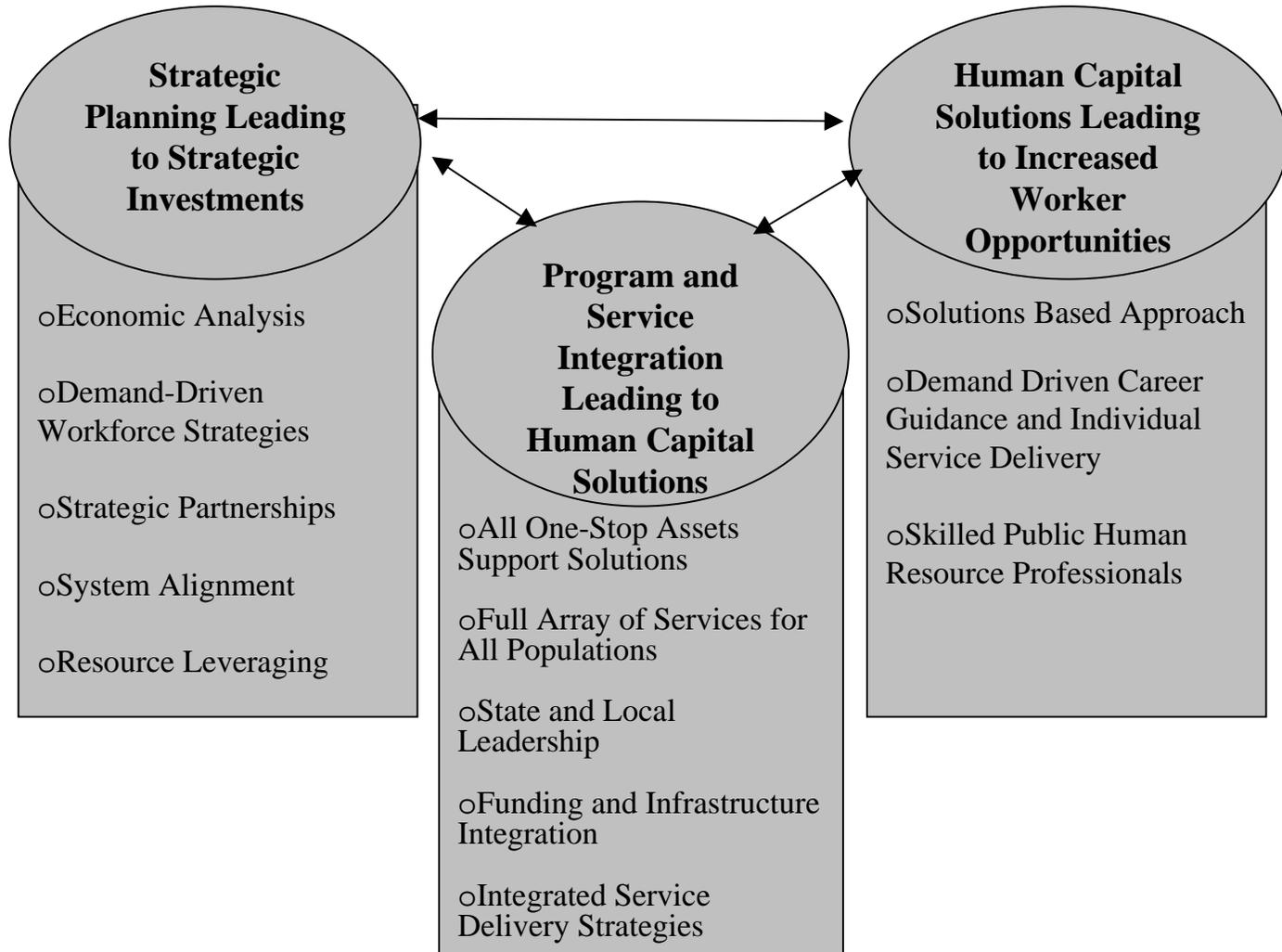
ETA's One-Stop Vision

Three Pillars of Workforce System

- Strategic Planning Leading to Strategic Investments
- Program and Service Integration Leading to Human Capital Solutions
- Human Capital Solutions Leading to Increased Worker Opportunities



Three Pillars of Workforce System



ETA's One-Stop Vision

Strategic Planning Leading to Strategic Investments

- Economic Analysis
- Demand-Driven Strategies
- Strategic Partnerships
- System Alignment
- Resource Leveraging



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ETA's One-Stop Vision

Program and Service Integration Leading to Human Capital Solutions

- All One-Stop Assets Support Solutions
- Full Array of Services for All Populations
- State and Local Leadership
- Funding & Infrastructure Integration
- Integrated Service Delivery Strategies



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ETA's One-Stop Vision

Human Capital Solutions Leading to Increased Worker Opportunities

- Solutions Based Approach
- Demand Driven Career Guidance
- Skilled Human Resource Professionals



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How has ETA's Communicated the One-Stop Vision

- Administrator's Meetings with Emily DeRocco
 - February in Chicago
 - July - San Antonio - Workforce Innovations '04
- BLS Conference Presentation by Mason Bishop
 - Demand Driven Workforce Information Strategy
- Release of the Environmental Scan of Labor Market and Workforce Information Sources for Improved Decision Making
- TEGl 1-04 - July 2, 2004 - Workforce Information Core Products and Services Planning Guidance

How has ETA's Communicated the One-Stop Vision

- NASWA LMI Director's Conference, July 2004
 - Gay Gilbert - Pillars of the Demand-Driven System
 - Tony Dais - Clarification of Planning Guidance
- TEGl 1-04 conference call August 2004
 - 100+ participants on 73 open phone lines
 - ETA Strategy to be come more demand-driven
 - SWIB role in decision making
 - Define leveraging
 - Performance Measure



What should you do to begin to become a Demand Drive Workforce Information System?

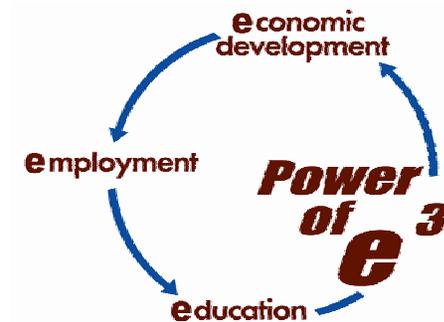
- Focus on the Demand
 - Business and Industry
 - Economic Development
 - Cluster and Sector Oriented
- Expand Analysis
 - Information vs. Data
 - Provide the context
 - Be solutions focused
 - State conclusions
- Learn from good example
 - Good Practices
 - Publications
 - Community Initiatives
- Become entrepreneurial
- Aggressively partner
 - Business and Industry
 - Economic Development
 - Cluster and Sector Oriented
- Leverage grant resources
 - Public, Private and Non-Profit
 - State and Local
 - Fee-based
 - Barter or Trade
 - Join or initiate mutual benefit projects delivery

What should you do to begin to become a Demand Drive Workforce Information System?

- Be the catalyst in your community
 - Don't wait for someone else
- Focus on the information needs of business and economic development – Talk to them!
- Leverage information from other sources
 - Environmental Scan
- Learn from others
 - Publication that respond to the demand side
 - NASWA Publication Award Program
 - Job Vacancy Survey Minnesota
 - WIC Customer Satisfaction for Continuous Improvement
 - Utah Careers guide
 - Workforce Summit Cleveland and Cuyahoga County, Ohio

Framework for Solutions

A Partnership must exist between Employers, Community Colleges and Education providers, and the local Workforce Investment System



Why focus on High-Growth Jobs?

- In the next decade, approximately 80% of available jobs will require some level of post-secondary education.
- 61% will require more than a high-school education, but less than a college degree.
- 97% of youth hope to go to college; 63% of youth enroll in college, and 30% receive a degree.

High-Growth Definition

- “High-Growth” includes...
 - ✓ Industries with significant job growth
 - ✓ Industries that are critical to the nation’s economic viability and development
 - ✓ Industries that significantly impact the growth of other growth industries
 - ✓ New and emerging industries

High Growth Model Strategies

- National leadership to engage industry leaders
- Investment in national models and demonstrations of workforce solutions in high growth/high demand industries
- Sharing information and models widely in the workforce system



Challenges & Solutions

- Creating a Pipeline of Entry-level Workers (Youth)
- Building Competency Models
- Providing Post-Secondary Alternatives
- Accessing New or Untapped Labor Pools
- Retaining Incumbent Workers
- Transitioning Workers from Declining Industries

President's High Growth Job Training Initiative

12 Targeted Industries

- Automotive
- Advanced Manufacturing
- Biotechnology
- Construction
- Energy
- Financial Services
- Geospatial
- Health Care
- Hospitality
- Information Technology (IT)
- Retail
- Transportation

