

JOBS, JOBS, JOBS: Workforce Development for Sustained Economic Growth



INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL

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Call to Action



- Operating in a **knowledge-based economy**... prosperity is dependent upon your people factor (that is, your human capital)...
 - A knowledge-based economy is driven by knowledge workers and where they choose to live.
 - Richard Florida's work reveals heightened importance of developing, attracting, and keeping talent...for community survival.
- In a knowledge-based economy, the human capital needs of businesses are changing our educational requirements for content and delivery.



Workforce in the World

- ▶ Increasingly mobile, increasingly globile.
- ▶ Comprised of people in the teens, 20s, 30s, 40s, 50s, 60s, 70s, and sometimes 80s.
- ▶ Competitive with at least some post-secondary education or training...the more, the better.
- ▶ Required to be adaptive...not your mother or father's workforce.
- ▶ Advantaged if "multipreneurial." (Source: Tom Gorman)
- ▶ Advantaged if a critical thinker, problem solver...
- ▶ Expected to be a continual, lifelong learner.



Developing People for What?

1. **Leader (mentor):** leads people to reach their productive potential through vision, integrity, and influence.
2. **Highly effective team member:** adds value to production through skills, talents, and trusted relationships.
3. **Entrepreneur:** becomes their own means of production through creating and running a sustainable enterprise.
4. **Inventor:** creates new ideas which become the seed for innovation.
5. **Innovator:** adds value in productive capacity through the application of new ideas.



Perspective



- ▶ Likelihood of an adequate “pipeline” of talent = #1 factor in locating businesses
- ▶ Challenge: workforce and economic development have not traditionally been aligned:
 - ▶ Higher education and workforce development organizations have tended to cater to student preferences
 - ▶ People engaged in economic development are more attuned to business needs



Challenge: Concern Regarding Quality & Quantity of Workforce

- ▶ America's labor pipeline is changing
 - ▶ Older, highly skilled "Baby Boomers" are retiring with fewer workers to replace them
- ▶ Business is complaining about a mismatch in worker training
 - ▶ 60% of all new jobs created will require skills that only 20% of the current workforce possess



Many say the American workforce development system needs re-thinking.

American innovation requires new job skills that are changing rapidly.

TABLE DISCUSSION:

- 1. What feedback do you hear from businesses in your community?*
- 2. What challenges are you facing?*
- 3. What is your level of involvement in workforce development?*



Emerging and Future Workforce

- ▶ Many young people lack hard, soft, and life skills.
- ▶ Educational achievement strongly linked to home environment and societal issues.
- ▶ The earliest possible intervention is needed.
- ▶ Many of today's youth have a sense of self-entitlement.
- ▶ Greater career counseling and coaching needed.
- ▶ A missing link is often in real life application.
- ▶ Access to technology can help and hinder.



Existing Workforce

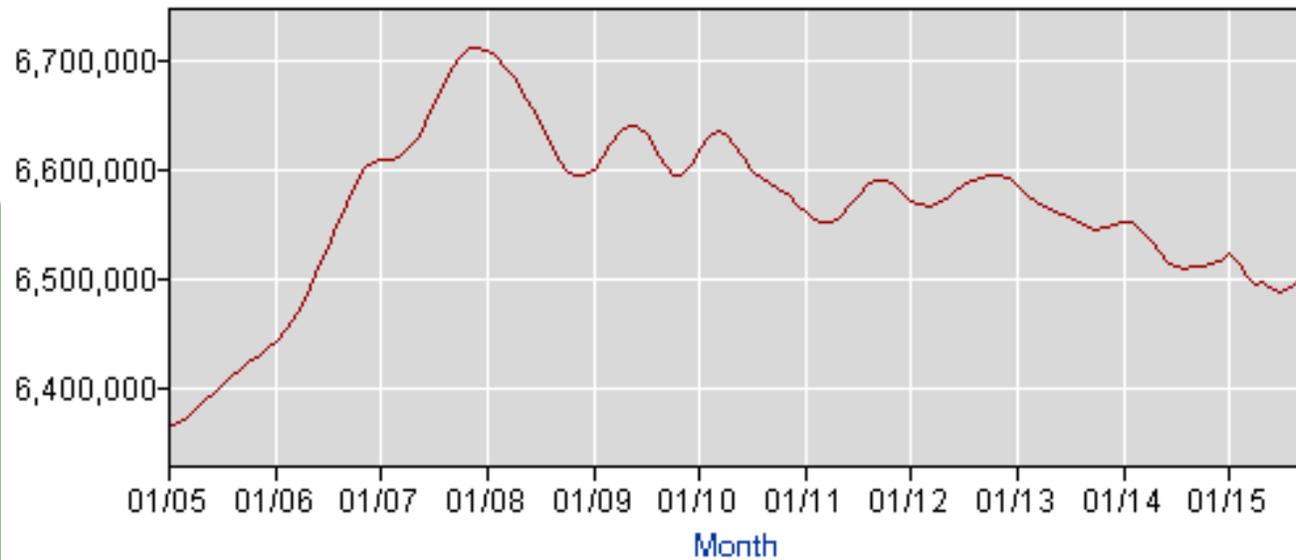
- ▶ Many workers lack hard, soft, and life skills.
- ▶ Employers challenged in finding a “drug-free” workforce.
- ▶ Many workers have a sense of self-entitlement.
- ▶ Lack of loyalty in today’s generation.
- ▶ Today’s workforce is comprised of multiple generations.
- ▶ Language and cultural barriers to address due to growing presence of foreign-born workers.
- ▶ Many workers are transportation-poor.



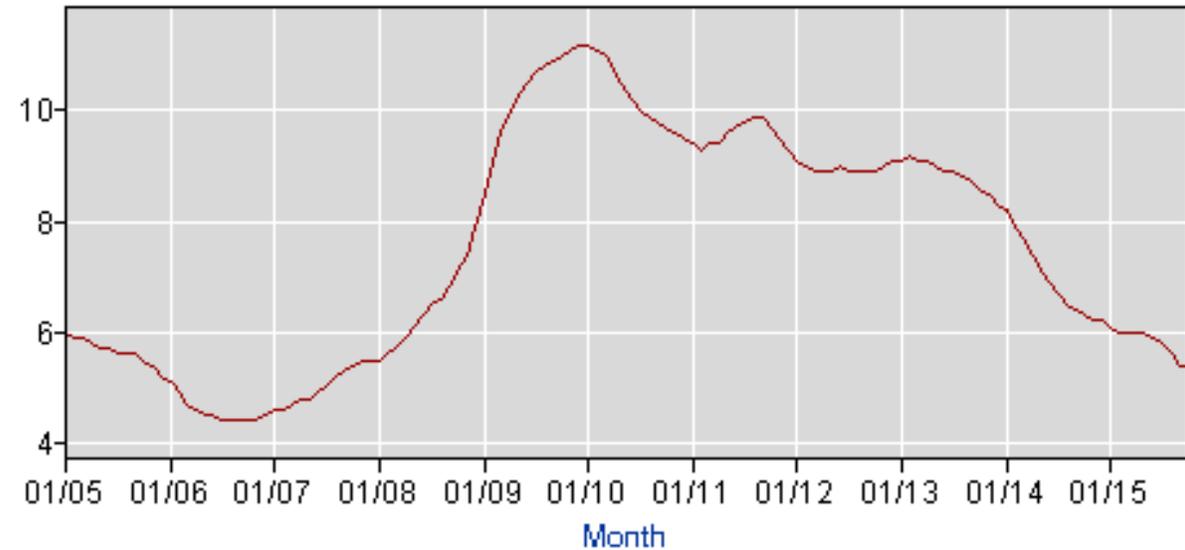
It is important to understand employment data on your community

Example: State of Illinois

labor force



unemployment rate



Source: U.S. Department of Labor
Bureau of Labor Statistics - State of Illinois

Data you should understand

- ▶ Presence of industry clusters
- ▶ Workforce participation
- ▶ Employment, unemployment
- ▶ Commuting patterns

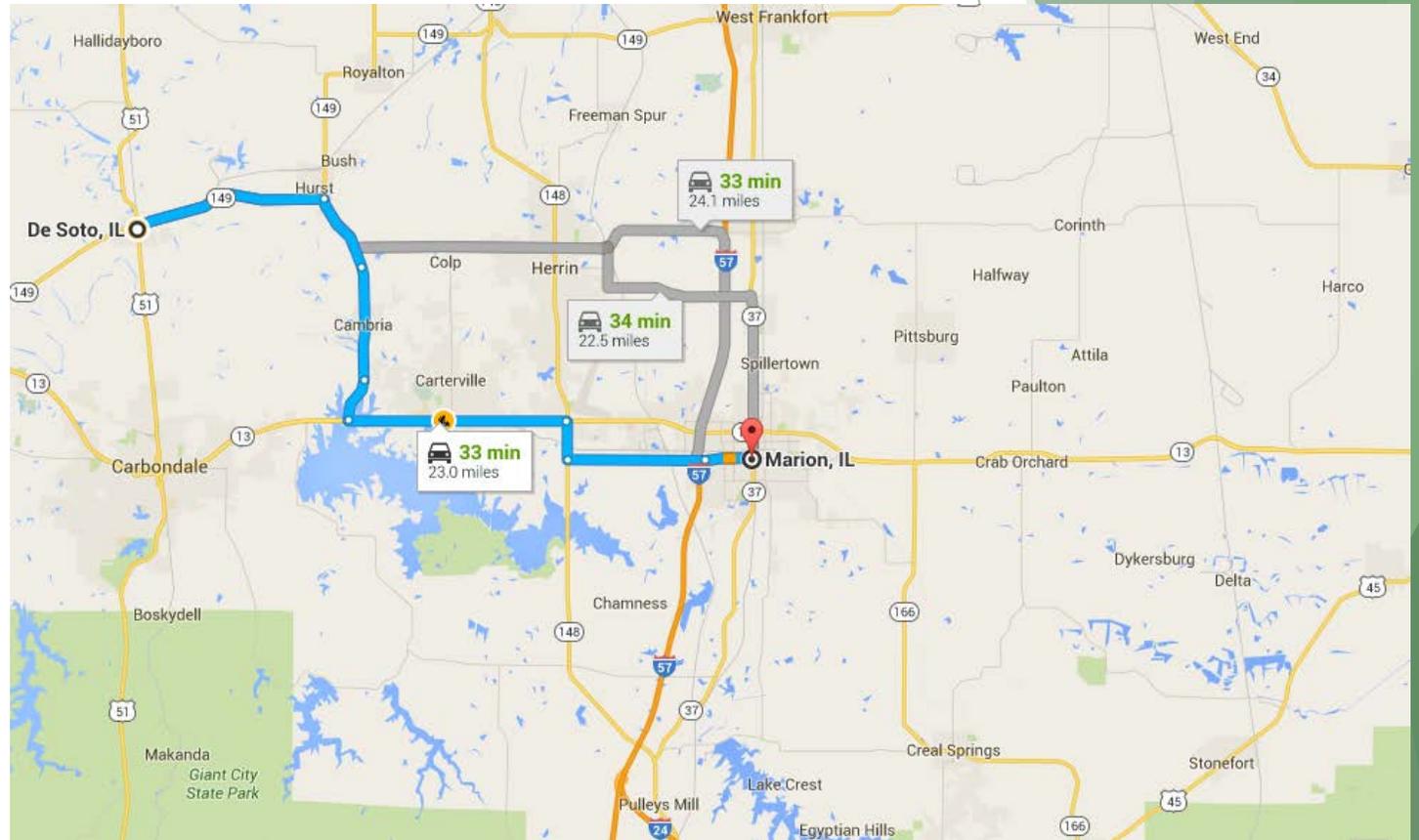
Your data sources:

- U.S. Depart. of Labor, Bureau of Labor Statistics - www.BLS.gov
- Illinois Dept. of Employment Security - www.Ides.Illinois.gov



Example: Commuting patterns

- ▶ Marion, Illinois
 - ▶ Employment hub
 - ▶ Pop. 17,412
 - ▶ Jobs 15,657
 - ▶ 606 work at home
 - ▶ 9,067 commute 20 mins.
 - ▶ 4,528 commute 20-39 mins.
 - ▶ 1,456 commute 40 or more mins.



What insights do commuting patterns give you about the economy?

Some Questions to Consider

- ▶ What skill sets are represented by the people in my community?
- ▶ What industries rely on those skill sets?
- ▶ What skill sets are NOT in my community but needed by local industry?
- ▶ How are global changes impacting my community's skill needs and availability?
- ▶ Are there people in my community who are not able to keep up with the pace of industry changes?



Top Industry Clusters in Illinois

- ▶ **Advanced manufacturing** 560,000 employees, 90% of Illinois exports
- ▶ **Agriculture & food production** 76,000 farms, 950 manufacturers, 80% of land
- ▶ **Financial services** 288,000 workers, 11% of GDP
- ▶ **Life science** 2,000 companies, 62,000 workers
- ▶ **Communications & information technology** 200 academic & research organizations is a competitive advantage
- ▶ **Energy** renewables



Source: www.businessclimate.com

2015 Federal Policy Environment

- ▶ Moving towards a “Job-driven model” - The federal approach to workforce policy has changed from a structure focused on individual preferences to one that takes into consideration the needs of business.
- ▶ But in America, it’s still “Be all you can be” and individual choice in careers has taken priority over what businesses need.
- ▶ Workforce development programs must change to bridge demand & supply gap



Policy Environment: WIOA

- ▶ **Workforce Innovation & Opportunity Act (WIOA)** was signed into law July 22, 2014
 - ▶ First major overhaul since 1998
 - ▶ Regulations will begin in January 2016
- ▶ **Advantages**
 - ▶ Advancements in program administration, planning, and accountability
 - ▶ Calls for alignment of state and workforce plans with regional economic development strategies
- ▶ **Disadvantages**
 - ▶ Involvement of economic developers in planning is encouraged, but not guaranteed



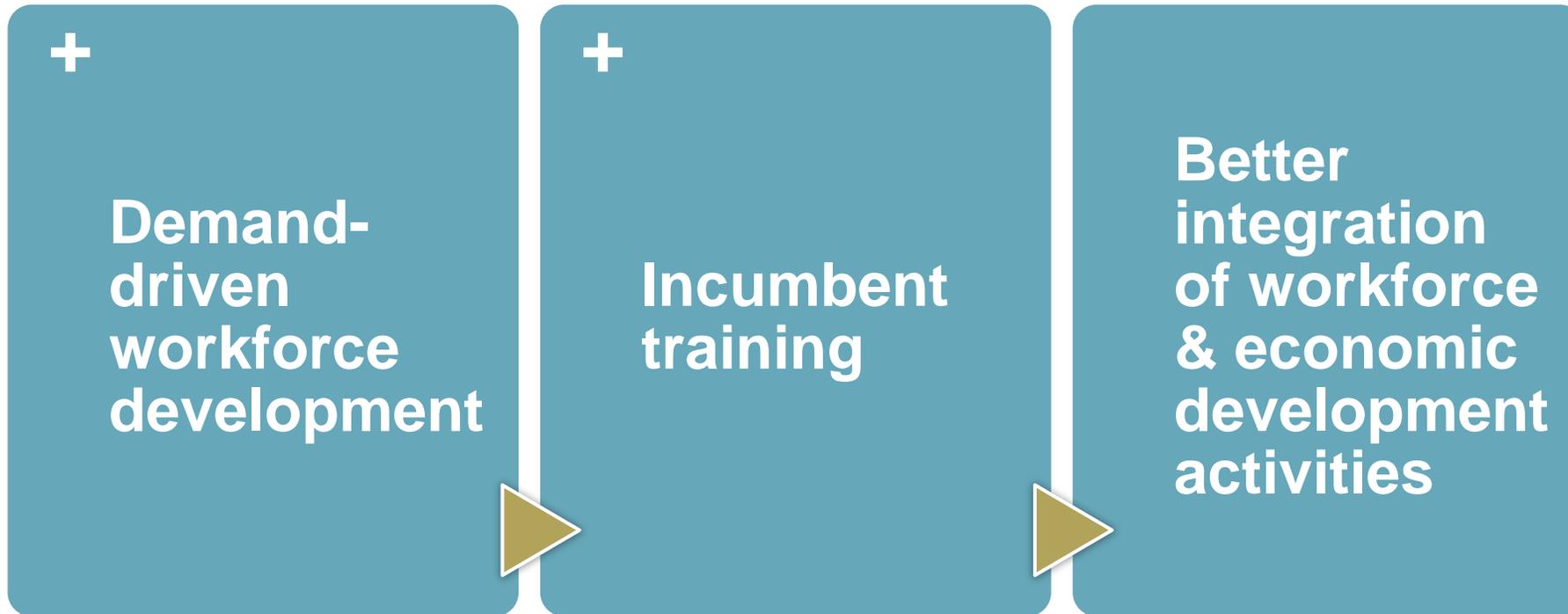
Hot topic

Demand-Driven Workforce Development

- ▶ Workforce development is essentially supply chain management
- ▶ How to forecast?
- ▶ How to market the needed jobs to workers?



Strategies In Workforce Development



Example of Workforce Development Leadership: Louisville, Kentucky

- Mayor Greg Fischer
- Since 2011, initiated SummerWorks, a program that helps businesses find youth employees in a 7-county region.
- 4,000 youths placed in 2015
- KentuckianaWorks raised \$4.2 M in workforce development funding
- 5,344 people placed in jobs in the past year
- <http://www.kentuckianaworks.org/>



Workforce Development Leadership: LaGrange, Georgia



*Jeff Lukken,
Former Mayor for 16 years*

Pop. 30,452

Mayor and County Executive teamed up
“hands on” to create workforce programs
for young workers

Program called “One Smart Cookie”
<https://www.onesmartcookie.jobs/about-us/>

Job Board, matches candidates with
employers, offers job search tips and helps
individuals develop job ready skills.



*Former County Commission
Chairman Ricky Wolfe*



Sector strategies in workforce development

- ▶ Brings people with common interests together to address job needs for a certain industry
- ▶ Makes sure specialization & standardization of training takes place
- ▶ Helps employers...
 - ▶ Improve jobs, skills, & opportunities
 - ▶ Effectively reach disadvantaged workers

Your role: Leaders should help engage businesses



The Challenge of Equity

- ▶ More and more we hear that providing employment for all is a significant challenge for many communities.
- ▶ IEDC is collecting case studies
- ▶ *Have you seen any promising programs to ensure there's opportunity for historically disenfranchised populations?*



Workforce Development Leader: New Orleans, Louisiana

- ▶ Mayor Mitch Landrieu
- ▶ The city historically suffered from high crime
- ▶ 52% of African American working-age men don't have jobs
- ▶ The city launched "NOLA for Life," an Economic Opportunity Strategy to connect disadvantaged job seekers with some of the region's largest employers and anchor institutions.
- ▶ The program is showing promise in reducing crime.



Takeaways

- ▶ Workforce matters!
- ▶ Workforce data should be a key element to inform your planning - know your labor force
- ▶ Your workforce is regional
- ▶ Fulfilling business needs is the core target of a successful workforce development program
- ▶ As community leaders, recognize your role in convening stakeholders and advocating for economic development strategy in workforce development programs.



Questions?

Lastly...

Workforce development, at its heart...
is improving the human condition, and,
is, therefore, economic development at the
most personal level.

