



GreenME
Jobs and Innovation Accelerator Challenge (JIAC)
Aroostook County, Maine

21st Century Workforce Development: A Workforce Center of Excellence Model

October 2013

ViTAL Economy Alliance

Frank Knott, Founder

Jim Haguewood, Mark Madsen, *Project Leaders*

<http://www.vitaleconomy.com>



Introduction

In late 2011, the Northern Maine Development Commission was one of 20 regions nationwide to be awarded a Jobs and Innovation Accelerator Challenge Grant (JIAC) entitled *GreenME*. This initiative was designed to support the implementation of the Renewable Energy Economy Strategy crafted by community and energy industry cluster business leaders the year before. The JIAC grant integrates funding from three federal agency programs.

1. Employment & Training Administration (ETA) - Workforce Development
2. Small Business Administration (SBA) – Business Development & Entrepreneurship
3. Economic Development Administration (EDA) – Regional Economic Development & Innovation

The Workforce Development component of *GreenME* is expected to increase educational degree attainment of incumbent, unemployed or displaced workers and veterans seeking employment relative to the energy industry in Northern Maine. In addition to immediate impact on this workforce segment, *GreenME* proposed the design of a regional Workforce Center of Excellence (WCOE) supporting the energy sector.

The purpose of this report is to present a case for development of the proposed WCOE and outline the critical path for design and implementation.

Introduction – Continued

While this document sets forth a hypothesis and data rational for a center of excellence, as of this date it is still premature to convene all stakeholders to launch the proposed Center of Excellence. Stakeholder commitment and member roles for a Workforce Center of Excellence in Aroostook and Washington Counties have yet to be determined.

The following are the short term steps to introduce the WCOE to the region:

1. Completion of a report consisting of analysis and WCOE models to be the basis to communicate to stakeholders
2. Prepare a briefing presentation to be delivered to regional business and education leaders.
3. Provide a briefing to the AWWIB Board of Directors, requesting input, endorsement and commitment to participate in further appropriate presentations.
4. Provide a briefing to the APP, LEAD & NMDC Board of Directors, requesting input, endorsement and commitment to participate in further appropriate presentations
5. Provide a briefing to the Sunrise County Economic Council requesting input, endorsement and commitment to the WCOE model
6. Provide a briefing to the University, Community College and K-12 education leaders, requesting input, endorsement and commitment to the WCOE model
7. Launch the implementation steps outlined in the document

Premise

- ✓ Rural and especially remote economic regions are more challenged in retaining and attracting a labor force pool and developing a skilled workforce than metropolitan areas
- ✓ Existing workforce and education funding and program models are silo oriented and therefore without a new collaborative approach will not meet the region's workforce demands
- ✓ A WCOE system must be outcome oriented and build a total talent pipeline to sustain the Northern and Downeast Maine economy
- ✓ WCOE is a systematic model that can be applied to targeted sectors of the regional economy, beginning with the energy sector in Aroostook and Washington Counties

Purpose of a Workforce Center of Excellence

- Create a strategic alignment and connection between the three key elements of workforce development; people, education & training, and employers
 - Communicates to the workforce market place - *PEOPLE*
 - Enables delivery of a full spectrum of training and education curriculum - *EDUCATION*
 - Creates a closed loop system with direct employment with local business - *BUSINESS*
- Builds collaborative relationships to prioritize, implement and monitor the performance of the WCOE
- Provides a system model to address short and long term workforce quantity and skill factors for a regional economy
- Focuses attention and resources on targeted industry sector workforce requirements while addressing workforce needs of the entire regional economy
- Creates a single place to evaluate and apply innovative and best practice workforce development models
- Strategically targeted AWWIB funds can be an incentive for workforce training providers to collaborate in a WCOE model approach to workforce development.

Why Should the Region Adopt a Center of Excellence Model?

- The Maine demographic and workforce trends are creating an unsustainable condition in which Aroostook and Washington Counties are leading the trend
- Silo oriented approaches and traditional workforce development funding policies cannot influence the trend
- A performing WCOE in the region will create an attractive climate for current and new employers and workforce prospects from inside and outside the region
- A regional WCOE model can be created quickly, all the basic elements and resources exist today
- **Quality of life and the regional economy are** dependent upon successful businesses and a productive growing workforce

Achieving the AWEDD goals absolutely requires a larger and more productive workforce!

See: AWEDD Goals, next slide

AWEDD Regional Goals

<i>AWEDD Region</i>	<i>Baseline 2007</i>	<i>2017 Goal</i>	<i>Change</i>
Population	104,726	108,841	+4,115
Employable Population (16 and older)	86,700	90,660	+3,960
Labor Participation Rate	58.09%	59.50%	-
Total Employed	50,368	53,939	+3,571
Average Wage per Job	\$35,581	\$36,481	+\$900
Total Region Wages	\$1.79B	\$1.96B	\$175M
Per Capita Income	\$31,019	\$34,067	+3,048
Regional GDP	\$4.63B	\$5.04B	+410M
Bachelors Degrees 25 & Over	11,776	12,776	+1,000
<i>Regional Specific Goals</i>	<i>Baseline 2007</i>	<i>2015 Goal</i>	<i>Change</i>
Increase 25-44 age group	27,867	32,460	+4,593
Associates Degrees 25 & Over	8.6%	8.9%	-

NEW JOBS:	357	WAGE: \$40,129	\$14.3M
NEW JOBS AT AVERAGE WAGE:	3,214	WAGE: \$36,481	\$117.2M
IMPROVEMENT OF EXISTING JOBS:	5,036	WAGE: \$5,000	\$25.1M
CLIMATE OF ECONOMIC OPPORTUNITY:			\$18.4M

Regional Workforce Supply Demand Analysis

Supply

- Quantity and skills of human capital in the region
- Capacity of workforce training and education in the region



Demand

- Projected quantity and skills of workforce by the region's industry sectors over the next decade

The following section provides a supply/demand gap analysis of the Aroostook Washington County economy and workforce.

- Population & Workforce Supply
- Economy Workforce Demand
- Educational Attainment Supply
- Higher Education Graduation Degree Supply
- Workforce Development Supply Capacity
- Educational Attainment by Occupation Demand

A supply/demand analysis is a required first step to determine the direction, capacity and delivery system for a regional workforce center of excellence.

Supply - General Population and Economic Condition Forecast

**A
r
o
o
s
t
o
o
k**

Demographic Category	2000 Census	2010 Census	2018 Forecast	2010 – 2018 Change
Population	73,940	71,870	69,190	(2,680)
Households	30,357	30,961	29,769	(1,192)
Families	20,435	19,578	18,825	(753)
Median Age	40.7	45.3	47.2	-
Median Household Income	\$28,900	\$36,574	\$40,144	+9.76%

Maine Median Age 43.0

**W
a
s
h
i
n
g
t
o
n**

Demographic Category	2000 Census	2010 Census	2016 Forecast	2010 – 2018 Change
Population	33,940	32,856	31,350	(1,506)
Households	14,117	14,302	13,625	(677)
Families	9,303	8,847	8,428	(419)
Median Age	40.5	46.1	47.5	-
Median Household Income	\$25,907	\$34,859	\$38,871	+11.5%

Accumulated 2010 – 2018 Change
(4,186)
(1,869)
(1,172)

Source: Research 360

Supply - Aroostook Washington Prime Workforce Population Projections

Aggregate Age Range	Aroostook			Washington			2010-2018 Change	2018-2023 Change
	2010 Census	2018 SPO	2023 SPO	2010 Census	2018 SPO	2023 SPO		
0-19	16,279	14,224	13,781	7,338	6,444	6,137	(2,949)	(750)
20-54	30,913	28,250	26,539	13,786	12,382	11,582	(4,067)	(2,511)
55+	24,678	26,549	26,968	11,732	11,999	11,782	2,138	202
Total	71,870	69,023	67,288	30,826	30,825	29,771	(4,878)	(3,059)

Aroostook Washington Demographic Trends

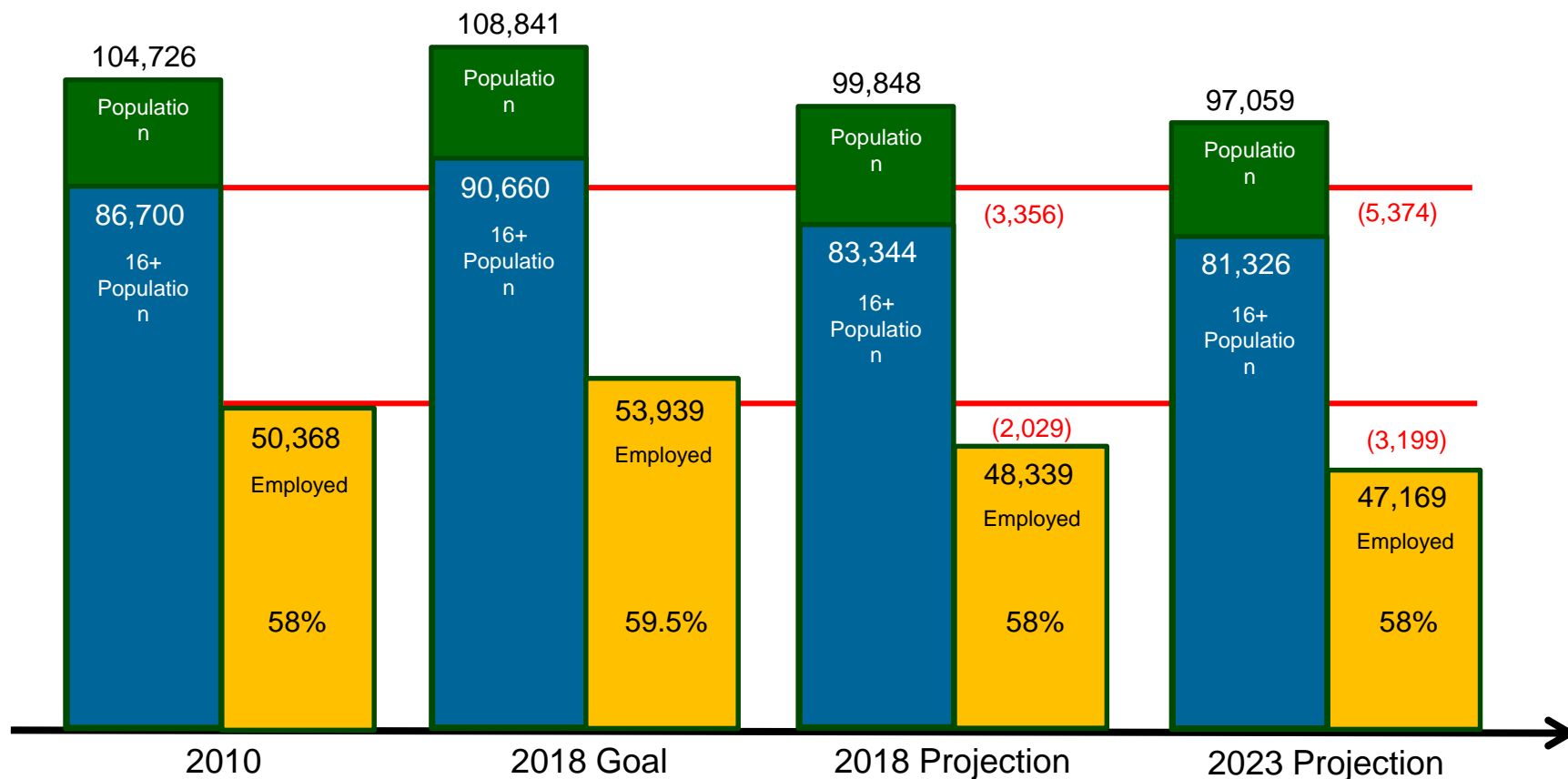
- ✓ By 2018,
 - the Washington Aroostook region will lose over 7,000 residents that are prime workforce age and future workforce prospects
 - the prime workforce age of 20-54 will decrease from 43.5% (2010) to 40.7% of the population
- ✓ By 2023, the region will have more people over the age of 55 than prime workforce age of 20-54



Source: US Census Bureau, Maine State Planning Office (SPO)



Supply - Aroostook Washington Laborforce Participation Rate



- ✓ By 2018, the region's 16+ population is projected to be 3,356 less than in 2010
- ✓ To maintain the 2010 employment levels in 2018, it will require 2,029 more employed workers
- ✓ To reach the 2018 goals, workforce development will need to deliver 5,600 **more** trained workers than projected
- ✓ In 2011, laborforce participation rate declined to 56.25%

Source: Maine State Planning Office, VE Analysis

Demand – Regional Industry Sector Mix vs. State

Employment Sectors	Maine		%	Change		AWEDD		%	Change	
	2001	2012	Total	#	%	2001	2012	Total	#	%
All	593,035	583,130		-9,905	-1.7%	41,566	38,164		-3,402	-8.2%
Goods Producing	116,840	89,932	15.4%	-26,908	-23.0%	9,295	7,017	18.4%	-2,278	-24.5%
Natural Resources & Mining	6,025	6,350	1.1%	325	5.4%	2,047	1,802	4.7%	-245	-12.0%
Construction	32,646	28,190	4.8%	-4,456	-13.6%	1,481	1,287	3.4%	-194	-13.1%
Manufacturing	78,169	55,392	9.5%	-22,777	-29.1%	5,767	3,928	10.3%	-1,839	-31.9%
Service Providing	476,195	493,198	84.6%	17,003	3.6%	32,271	31,148	81.6%	-1,123	-3.5%
Trade, Transportation & Utilities	130,051	123,447	21.2%	-6,604	-5.1%	8,886	8,453	22.1%	-433	-4.9%
Information	12,585	8,403	1.4%	-4,182	-33.2%	1,311	625	1.6%	-686	-52.3%
Financial Activities	34,099	30,574	5.2%	-3,525	-10.3%	1,653	1,400	3.7%	-253	-15.3%
Professional & Business Services	52,539	59,070	10.1%	6,531	12.4%	1,874	1,653	4.3%	-221	-11.8%
Education & Health Services	144,572	163,913	28.1%	19,341	13.4%	12,477	12,501	32.8%	24	0.2%
Leisure & Hospitality	58,230	63,468	10.9%	5,238	9.0%	2,916	2,834	7.4%	-82	-2.8%
Other Services	16,807	16,877	2.9%	70	0.4%	870	905	2.4%	35	4.0%
Public Administration	27,029	27,371	4.7%	342	1.3%	2,285	2,777	7.3%	492	21.5%
Unclassified	284	76	0.0%	-208	-73.2%	0	0	0.0%	0	

Six employment sectors have a higher concentration than the state average

The AWEDD economy has lost 3,402 jobs in 11 years = 309/year

Source: Maine.gov, Center for Workforce Research and Information



Demand – State Employment Projections by Sector

Employment Sectors	Maine		Change	
	2010	2020	#	%
Total Jobs	641,551	676,779	35,228	5.5%
Self employed & unpaid family workers	56,794	61,004	4,210	7.4%
Total wage and salary jobs	584,757	615,775	31,018	5.3%
Total Private	485,557	515,825	30,268	6.2%
Natural Resources & Mining	6,037	6,398	361	6.0%
Construction	24,318	26,638	2,320	9.5%
Manufacturing	50,658	43,987	-6,671	-13.2%
Wholesale	19,013	20,547	1,534	8.1%
Retail Trade	81,200	84,670	3,470	4.3%
Transportation, warehousing & utilities	16,815	17,857	1,042	6.2%
Information	9,135	8,950	-185	-2.0%
Real Estate & rental & Leasing	6,444	6,924	480	7.4%
Professional & Business Services	55,785	61,656	5,871	10.5%
Education Services	11,129	12,569	1,440	12.9%
Healthcare & social assistance	98,994	114,686	15,692	15.9%
Leisure & Hospitality	59,730	64,368	4,638	7.8%
Other Services	21,434	21,844	410	1.9%
Total Government	99,200	99,950	750	0.8%

2012 Maine Wage & Salary jobs = 583,193

65% of job growth is within these three sectors

Source: Maine.gov, Center for Workforce Research and Information



Conclusions - Workforce Quantity Supply/Demand

“People assume that if we could just keep our young people here, it would solve the problem. There are not half enough of them we need because not enough young people are born here. We have to get people from other places to move here. We’ve got to get more people in.”

Charlie Colgan – September 9, 2013

- ✓ If the Aroostook Washington County economy and workforce demands stay the same in 2018, the region will be short over 2,000 workers
- ✓ Declining and aging population has gone beyond having ripple effects in the region. It has become a tsunami which threatens the economic stability of Aroostook and Washington counties.
- ✓ Post Great Recession laborforce participation rates have fallen in Aroostook and Washington counties, as they have been across most of the Eastern U.S.
- ✓ By 2023, the region will have more people over the age of 55 than prime workforce age people 20-54.
- ✓ Any economic development efforts to improve the regional economy will be offset and thwarted by aging population ***unless the region can attract more young people.***
- ✓ The common goal of preventing young people from moving out of region and state won't come close to solving the problem.

Supply

- Quantity and skills of human capital in the region
- Capacity of workforce training and education in the region



Demand

- Projected quantity and skills of workforce by the region's industry sectors over the next decade

- Educational Attainment Supply
- Higher Education Graduation Degree Supply
- Workforce Development Supply Capacity
- Educational Attainment by Occupation Demand

Supply - Educational Attainment

**A
r
o
o
s
t
o
o
k**

Demographic Category	2000 Census	2010 Census	2013 Estimate
Age 25+ Population	51,400	51,765	51,394
High School Graduate	19,779	19,762	20,246
Some College, no degree	8,880	10,713	10,207
Associates Degree	3,340	4,766	4,577
Bachelor Degree	5,539	6,298	6,083
Master's & Doctorate Degree	1,991	1,996	2,088



12,748

**W
a
s
h
i
n
g
t
o
n**

Demographic Category	2000 Census	2010 Census	2013 Estimate
Age 25+ Population	23,439	23,936	23,646
High School Graduate	9,819	9,205	9,258
Some College, no degree	4,186	4,920	4,961
Associates Degree	1,293	1,817	1,713
Bachelor Degree	2,240	3,104	3,010
Master's & Doctorate Degree	1,194	1,330	1,355

6,078

Total Higher Education Supply = 18,826

Source: US Census



Supply – Graduates from In-Region Higher Education Programs

Industry – ALL INDUSTRY	Degree Levels	# of Graduates in 2013
Accounting	Associate, Bachelor	20
Business	Associate, Bachelor	18
Business Administration	Associate, Bachelor, Masters	57
Business & Entrepreneurial Studies (Entrepreneurship)	Associates, Bachelor	8
Business & Technology	Bachelor	1
Business Management	Associates, Bachelor	9
Business Management International	Associates	3
Computer-Aided Drafting Technology	Associates	4
Computer Applications	Bachelor	3
Computer Electronics	Associate, Certificate	10
Computer Info Systems	Bachelor	2
Computer Science	Associate	2
Entrepreneurship	Certificate	4
General Technology	Associate	9
General Studies	Associate	5
Information Security	Associate, Bachelor	3
Liberal Studies	Associate, Bachelor	62
Office Assistant	Certificate	2

Slides 17-23 provide a complete list of all 2013 graduate degrees in the AWWIB region and industry relationship

222
Graduates

Source: Aroostook & Washington County Higher Education Institution



Supply – Graduates from In-Region Higher Education Programs

Industry – EDUCATION	Degree Levels	# of Graduates in 2013
Applied Science	Bachelor	3
Art Education	Bachelor	3
Athletic Training	Bachelor	8
Bachelor of College Studies	Bachelor	7
Early Childhood Education	Associates	18
Educational Studies	Associates, Bachelor	2
Elementary Education	Bachelor	38
English	Bachelor	14
Fine Arts	Bachelor	3
History	Bachelor	5
History & Political Science	Bachelor	2
Interdisciplinary Fine Arts	Bachelor	3
Interdisciplinary Studies	Bachelor	1
Mathematics	Bachelor	4
Physical Education	Bachelor	8
School Counseling	Masters	3
Secondary Education	Bachelor	18
University Studies	Bachelor	2

142
Graduates

Source: Aroostook & Washington County Higher Education Institution

Supply – Graduates from In-Region Higher Education Programs

Industry – HEALTHCARE	Degree Levels	# of Graduates in 2013
Behavioral Science	Bachelor	11
Biology	Bachelor	23
Clinical Mental Health Counseling	Masters	1
Emergency Medical Services	Associate	6
EMT - Intermediate	Certificates	10
Medical Assisting	Associate	15
Medical Coding	Certificates	15
Medical Lab Technology	Associates	4
Medical Office Administration	Associates	10
Medical Office Technology	Certificates	9
Nursing	Associates, Bachelor, Masters	119
Para Medicine	Certificates	2

225
Graduates

Industry – GOVERNMENT	Degree Levels	# of Graduates in 2013
Criminal Justice	Associates, Bachelor	21
Psychology & Community Studies	Bachelor	12
Public Safety & Administration	Bachelor	7

40
Graduates

Source: Aroostook & Washington County Higher Education Institution

Supply – Graduates from In-Region Higher Education Programs

Industry – CONSTRUCTION, FORESTRY, TRANSPORTATION	Degree Levels	# of Graduates in 2013
Diesel Hydraulics Technology	Associates	10
Engine Specialist	Certificates	5
Heavy Equipment Maintenance	Certificates	9
Heavy Equipment Operations	Certificates	2

26
Graduates

Industry – CONSTRUCTION	Degree Levels	# of Graduates in 2013
Building Construction Technology	Certificates	5
Electrical Construction & Maintenance	Associates, Certificates	16
Heating Technology	Certificates	13
Plumbing	Certificates	5
Plumbing & Heating	Associates	9
Residential & Commercial Electricity	Certificates	8
Residential Construction	Associates, Certificates	7

63
Graduates

Industry – MANUFACTURING	Degree Levels	# of Graduates in 2013
Machine Tool Technology	Certificates	1
Mechanical Technology	Associates	3
Precision Metals Manufacturing	Associates	2

6
Graduates

Source: Aroostook & Washington County Higher Education Institution

Supply – Graduates from In-Region Higher Education Programs

Industry – FORESTRY, NATURAL RESOURCES	Degree Levels	# of Graduates in 2013
Applied Forest Management	Associates	6
Environmental Studies	Bachelors	9

15
Graduates

Industry – AUTO	Degree Levels	# of Graduates in 2013
Automotive Collision Repair	Associates, Certificates	12
Automotive Technology	Associates, Certificates	18
Mechanical Technology & Passenger Vehicle	Associates	3

33
Graduates

Industry – SOCIAL SERVICE	Degree Levels	# of Graduates in 2013
Psychology	Bachelor	15
Social Work	Bachelor	12

27
Graduates

Industry – ENERGY	Degree Levels	# of Graduates in 2013
Wind Power Technology	Associates	8

8
Graduates

Industry – NATURAL RESOURCES	Degree Levels	# of Graduates in 2013
Marine Biology	Bachelors	5

5
Graduates

Source: Aroostook & Washington County Higher Education Institution

Supply – Graduates from In-Region Higher Education Programs

Industry – MANUFACTURING, CONSTRUCTION, FORESTRY, ENERGY	Degree Levels	# of Graduates in 2013
Welding & Metal Fabrication	Certificates	20

20
Graduates

Industry – GOVERNMENT, FORESTRY, PST	Degree Levels	# of Graduates in 2013
Geographic Information Systems	Bachelor, Certificates	4

4
Graduates

Industry – TOURISM, HEALTHCARE	Degree Levels	# of Graduates in 2013
Culinary and Baking	Certificate	1

1
Graduate

Industry – TOURISM	Degree Levels	# of Graduates in 2013
Environmental Recreation & Tourism Mgmt.	Bachelor	10
Recreation/Leisure Services	Bachelor	8

18
Graduates

Source: Aroostook & Washington County Higher Education Institution

Supply – Summary of Degrees by Industry Sector

Industry Sector Application of Degrees	# of Graduates in 2013
All Industries	222
Healthcare	225
Education	142
Construction	63
Government	40
Automotive	33
Social Services	27
Construction, Forestry, Transportation	26
Manufacturing, Construction, Forestry, Energy	20
Tourism	18
Forestry & Natural Resources	15
Energy	8
Manufacturing	6
Natural Resources	5
Government, Forestry & PST	4
Tourism, Healthcare	1

The region has a performing and sustainable higher education system that is attracting young people and producing educated workforce prospects – 4,979 enrollment and 855 graduates in 2013.

Where are the 855 graduates now?

Workforce Match

- 43% of the current graduates are in healthcare and education sectors, reasonably matching the economy
- 26% of the 2013 graduates received degrees in fields that span all economic sectors

Workforce Mis-Match

- 129 Certificates were granted in 2013, only 15% of overall degrees
- Transportation and Utilities sectors have a high concentration in the AWWIB economy (3rd highest) and need to be analyzed to the current degrees and certifications

Higher Education Institutions: University of Maine Fort Kent, Northern Maine Community College, Husson University, Washington County Community College, University Maine Machias, University of Maine Presque Isle

855
Total Graduates

Source: Aroostook & Washington County Higher Education Institution



Supply - Workforce Development Providers Analysis

The tables below represent a categorized analysis of the AWWIB funding beneficiaries. The tables show ONLY providers and services being delivered in Aroostook or Washington Counties. AWWIB distributes funds to beneficiaries through approximately 180 providers, including organizations and programs outside of the Aroostook Washington County region.

Provider Categories	Total	Aroostook	Washington
K-12	24	19	5
Private Schools	1		1
Community Colleges	2	1	1
Universities	5	3	2
State Agencies	12	9	3
Federal Agencies	2	2	
Non-Profits	51	23	7
Tribal	4	2	2
Totals	101	59	21

Service Categories	Total
Tutoring, Study Skills	27
Alternative Secondary School Services	10
Leadership Development	14
Adult Mentoring	37
Substance Abuse/Mental Health Counseling	36
Summer Employment	0
Work Experience	10
Occupational Skill Training	27
Supportive Services	18
Follow-up Services	19

Observations:

- Since 1998, the AWWIB funding policy and mechanism is based upon existing provider relationships and programs with no strategic direction or robust competitive procurement process
- It appears that funding is spread too thin to be regionally effective
- WIA funding appears to be used to address unemployment and poverty rather than building regional workforce capacity

Source: AWWIB Research



Demand – Maine Post Great Recession Education Attainment Requirements by Occupations

Georgetown Report - Recovery: Projections of Jobs and Education Requirements Through 2020

Occupational Category	High School Diploma	Some College/ no Degree	Assoc Degree	Bachelors Degree	Masters Degree or Higher	Percent Requiring a Post Secondary Education
Managerial and Professional Office	19%	16%	13%	34%	19%	66%
STEM	14%	14%	14%	43%	14%	71%
Social Sciences	0%	0%	0%	50%	50%	100%
Community Services and Arts	20%	20%	10%	40%	10%	60%
Education	0%	7%	7%	53%	33%	73%
Healthcare Professional and Tech.	8%	17%	25%	25%	25%	75%
Healthcare Support	43%	29%	14%	14%	0%	28%
Food and Personal Services	44%	28%	8%	19%	0%	27%
Sales and Office Support	34%	29%	15%	20%	2%	37%
Blue Collar	57%	23%	11%	9%	0%	18%

June 2010 Georgetown Report stated 59% of all jobs in Maine will require postsecondary education.

Source: Georgetown University

Conclusions - Workforce Training and Education Gap Analysis

“Unless we can get productivity to exceed the increased cost in workers, we will suffer competitively in the long run. The issue here is not just the wages, not just the physical number of people. We are going to have to have smarter, quicker and more productive workers. We are going to have to compete on quality.”

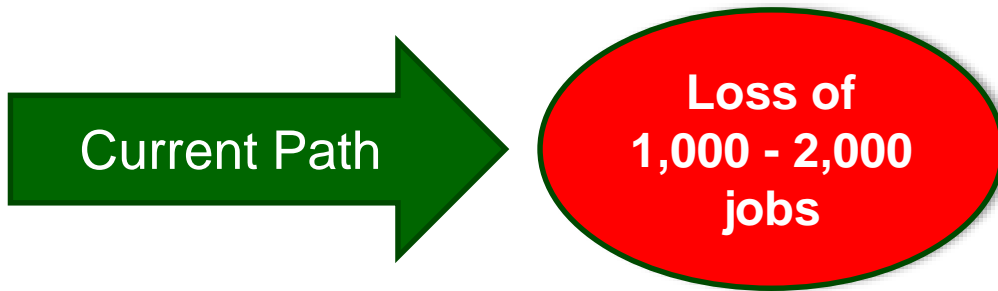
Charlie Colgan – September 9, 2013

- ✓ Maine does not produce (let alone retain) sufficient numbers of STEM bachelor degrees – particularly engineering and healthcare.
- ✓ The regions higher education system predominantly provides traditional degrees in standard quarter based timelines, which will not meet workforce demands.
- ✓ Funding to beneficiaries through the AWWIB appears to be reactionary rather than targeted, strategic, or outcome based
- ✓ Current efforts to create internships, apprenticeships, and summer job experiences need to dramatically expand.
- ✓ Higher education graduates are a prime pool of young educated workforce prospects that should be connected to career opportunities and Northern Maine lifestyle benefits.

<u>2018 Employment Demand</u> 48,339 – 53,939 Low - High	X 59% =	<u>Post Secondary Demand</u> 28,520 – 31,824 Low - High	-	<u>Workforce Supply</u> 25+ with Associates or Higher 18,826	=	<u>Shortfall</u> 9,694 – 12,998 Low - High
--	----------------	---	----------	--	----------	--

Conclusion - Implication of Economic Paths by 2018

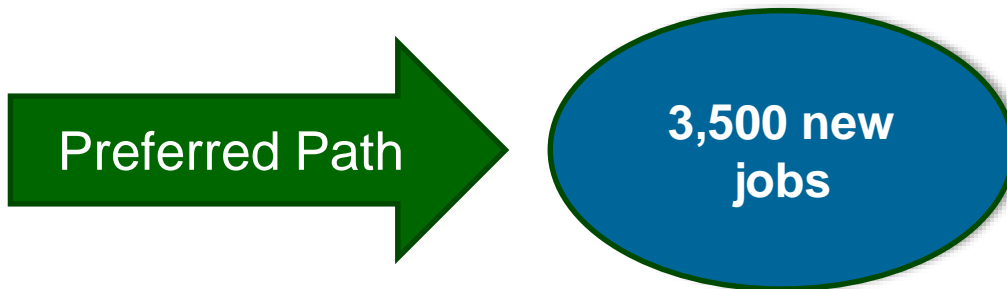
Probable Implications



- Limited workforce demand needs
- Less economic activity
- Less disposable income
- Smaller community tax base
- Declining school enrollment
- Continued population decline
- Industry skills demand to higher skill levels continues
- Decline in residential real estate values

Question: Is the loss in population and workforce a result of fewer jobs or loss of jobs due to population decline?

Answer: Unknown at this time



- Expanded workforce demand
- Approx 5,000 worker shortfall
- Industry skills demand to higher skill levels continues
- Increased economic activity
- More disposable income
- Increased community tax base
- Stable school enrollments
- Stable population levels

Solution Statement

For regions to successfully address current and future workforce demand there must a commitment to a strategic, collaborative and accountable relationship between education & training institutions, employers and its people. The following provides a description of the role and priorities for each of the essential elements.

Education & Training

Education, training and other workforce development providers collectively need to be flexible and responsive to employer and workforce needs. In a WCOE model Universities, Community Colleges, the K-12 system, training and service providers operate in a collaborative manner to build industry specific and an overall workforce pool.

People

Human capital is the “must have” ingredient for a regional economy to function. Citizens in the primary workforce age 20-54 plus seniors 65+ MUST be engaged in the workforce. WCOE models actively communicate with these folks to maintain high levels of awareness of education, training and employment opportunities.

Employers

Business and industry leaders MUST be fully and continuously engaged in the building of overall workforce supply. In the WCOE system model employers provide front end core skill requirements, on-going technical needs and hiring of certified completers.



Single source funding will not allow the WCOE model to function successfully. Collaborative “skin in the game” funding plans for all three components is required.

Workforce Center of Excellence Design Critical Path

The Realm Of Workforce Development

It is important that workforce development efforts, projects, and programs not be constrained by the institutional or programmatic “boxes” within which those programs operate. The box of “vocational education” or “welfare-to-work” limits perspective and potentially blinds the region to important insights.

Step 1. Leadership

Convene workforce development, education, economic development, and business stakeholders. The core leadership should set forth a clearly stated vision and objectives which are consistent with the regional S.M.A.R.T Goals.

Step 2. Organizational Design, Ownership and Governance

The new workforce paradigm that is emerging represents a pattern of convergence of outcomes, practices, and policies among practitioners of the fields of employment and training, alleviating poverty, and supporting regional economic development. The common concerns around retention and advancement in the labor market have brought these fields together in many respects.

Note: this approach is about outcomes, not programs. While it has been assumed that AWWIB is the convener, each stakeholder and program provider must be part of the solution or system for such a collaborative consortium to transform regional workforce development to a 21st century center of excellence.

Next Slide

Step 3. Training and Education design & delivery

Step 4. Implementation

Step 5. Measuring outcomes and success



Workforce Center of Excellence Design Critical Path (Cont)

Step 1. Leadership

Step 2. Organizational Design, Ownership and Governance

Step 3. Training and Education Design & Delivery (see Slides 29-37)

The WCOE design begins with what is already working in the region. Once a culture of collaborative workforce development is established among key stakeholders, then begin addressing those elements which are weak and/or non-existent in the region

Focus both on short-term **tactical** needs and long-term **strategic** improvements

- Work Ready Credential
- Skills training to meet short-term employer needs
- Competency Model/Career Pathways
- Secondary Education student/teacher/counselor engagement
- Employer engagement
- Academic and skills training to fill the skilled workforce pool
- Senior employment

Step 4. Implementation

Successful implementation of a WCOE begins with two key elements –

- Stakeholder/provider commitment
- Strong operating plan
- Clear organization structure and transparent governance framework

Step 5. Measuring outcomes and success (see Slide 38)

The key to measuring outcomes is an open systems planning model. All stakeholders must be committed to sharing information openly.



Workforce Center of Excellence Ownership

AWWIB is the Federal and State recognized Workforce Investment Board. As such, the AWWIB has regulatory requirements and is responsible for:

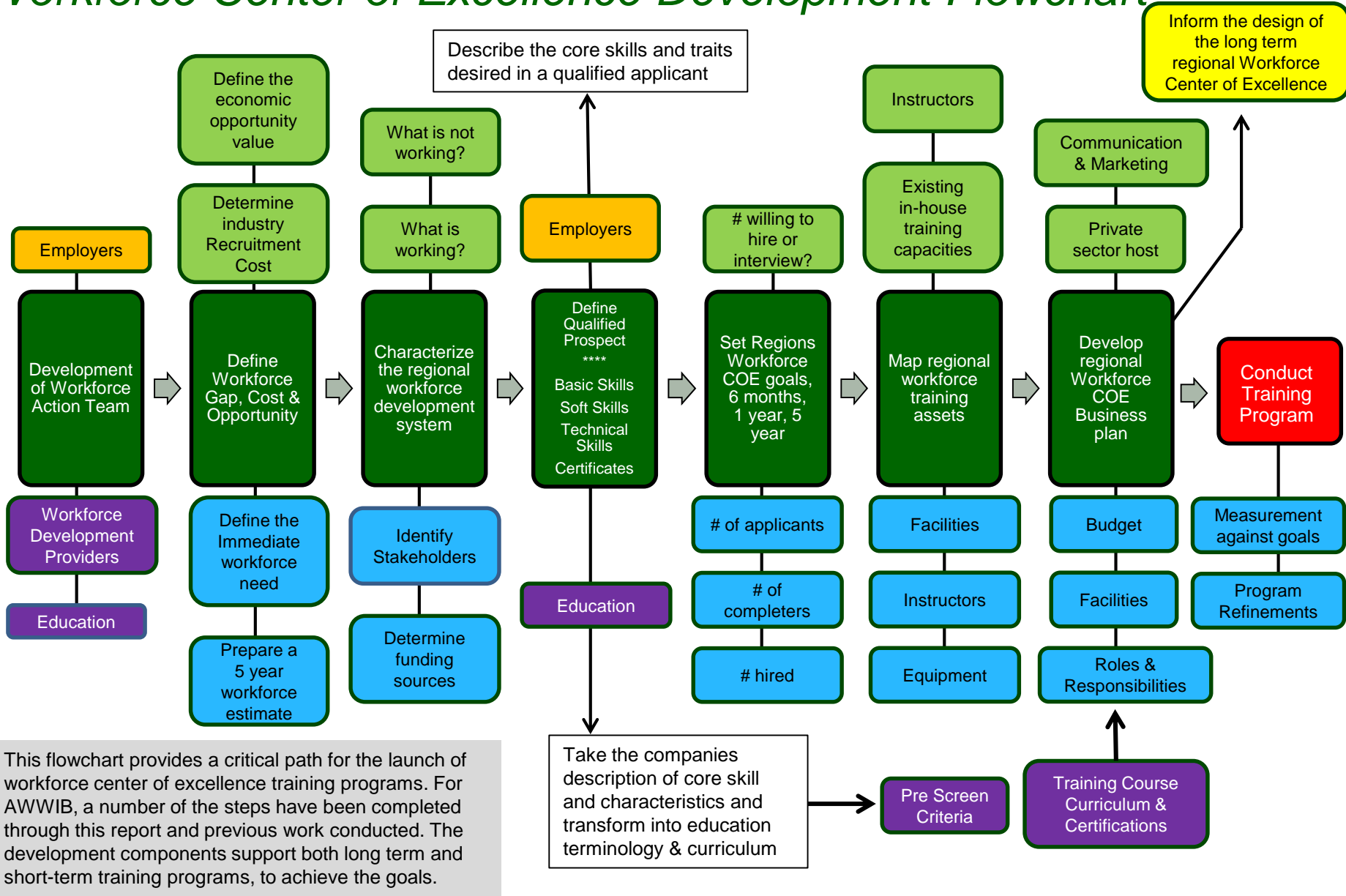
- Guiding the investment of Workforce Investment Act funds
- Promoting an integrated approach to regional workforce development
- Engaging WIB partners to identify and address challenges by labor force participants
- Involving business in the identification of current and future workforce development needs
- Build industry partnerships and sector strategies within AWWIB region

Recommendations:

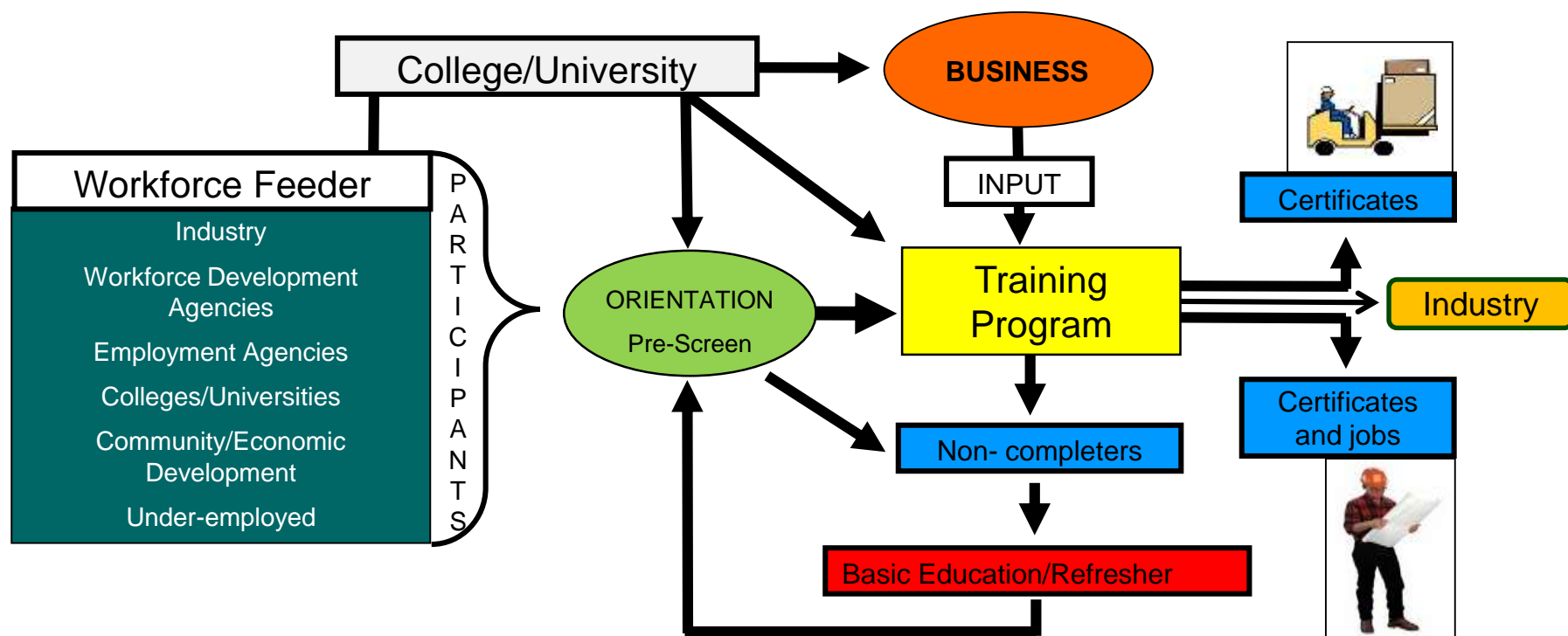
1. AWWIB be the owner and lead agency in the creation, coordination and implementation of the WCOE.
2. AWWIB finalize a 5-year strategic plan linked to the AWEDD CEDS strategic plan, adopting the WCOE model for targeted industry sectors and budgets for implementation and funding policies.



Workforce Center of Excellence Development Flowchart



Workforce Center of Excellence Model – Short – Term Training



Often businesses or industry sectors demand immediate workforce supply, either from expansion or a new venture. The model above is an effective way to deliver qualified prospects and supplement overall workforce supply.

Businesses identify specific skills and certifications needed in a qualified prospect. (INPUT).

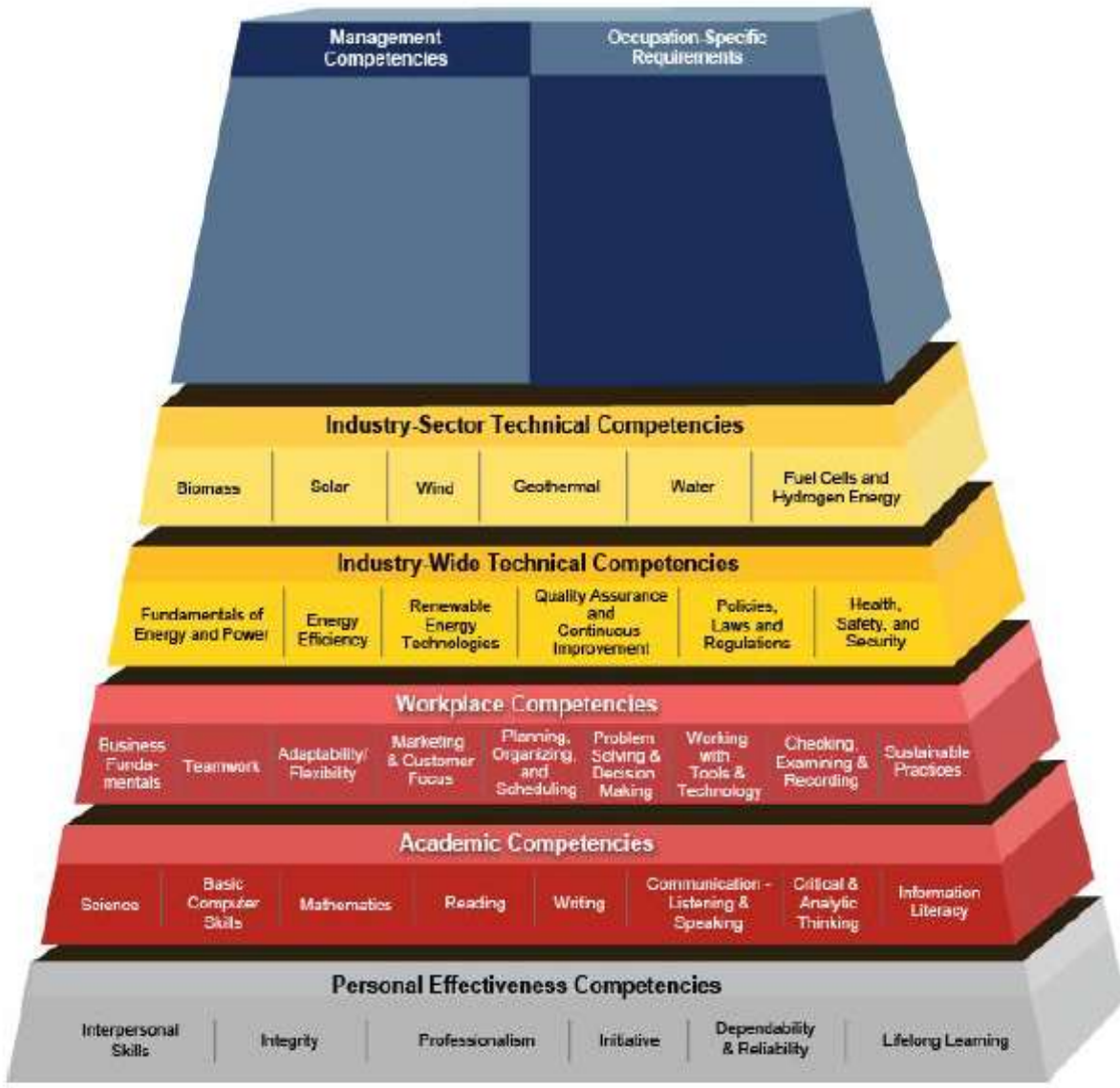
Colleges or Universities provide training course design, overall program coordination and accredited certificates.

WCOE partners are the gatekeepers to the labor pool which feeds the system with human capital.

The model contains two critical components to produce results for the business or industry sector, the pre-screen and custom training program. The pre-screen improves the number of successful completers that are job ready and also captures prospects into the WCOE system to enhance their basic skills for future employment opportunities. The custom training program, as defined by the business, delivers qualified and competent workers who are work ready for the industry.

Competency Model = Education & Training Standard

The Competency Model below is provided as a sector example

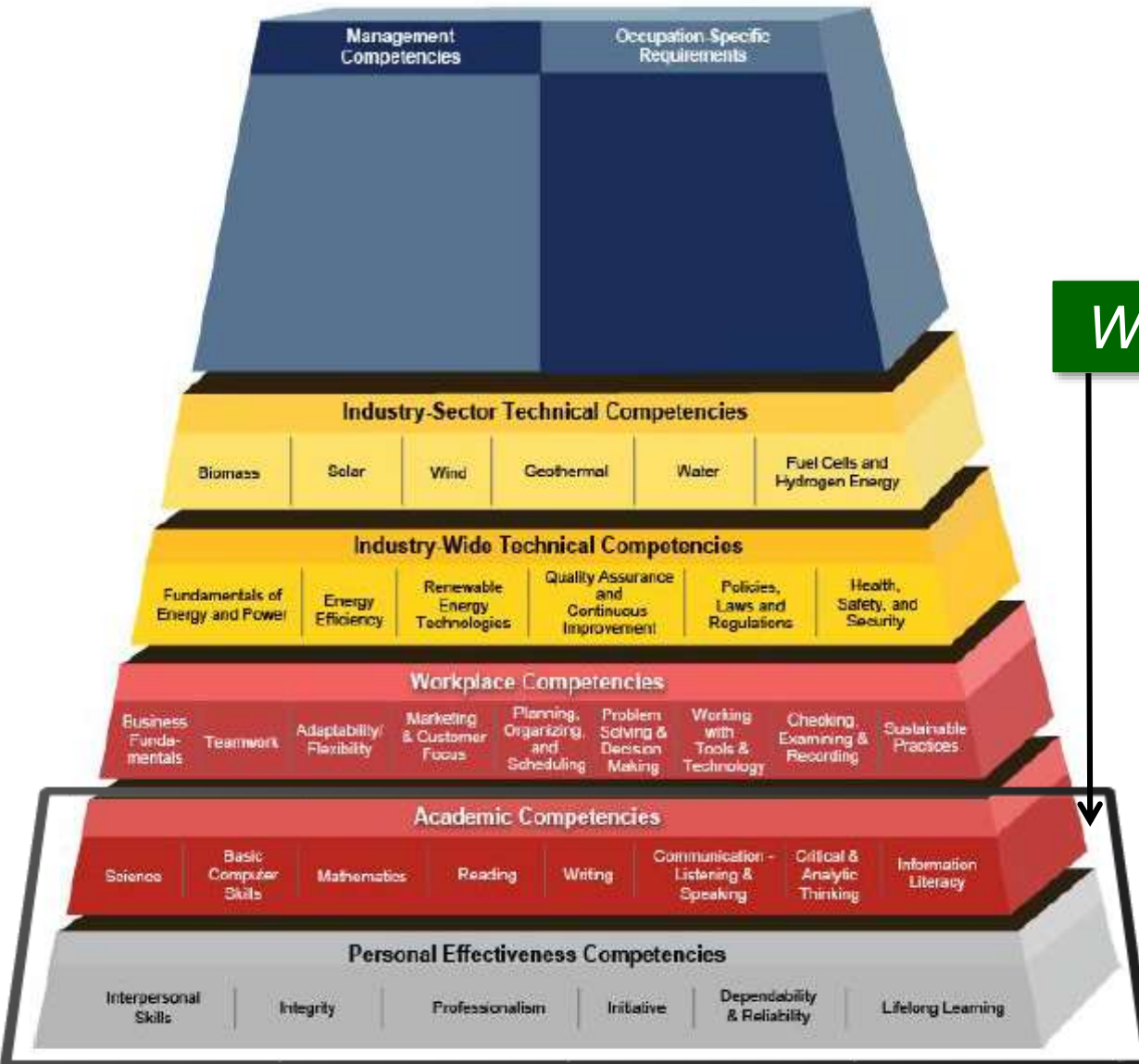


The Energy Sector Competency model graphic to the left demonstrates the full spectrum of career ladder skills training necessary for an industry to mature and succeed in a region.

The WCOE will need to develop competency models for other targeted industry sectors.

The key to implementing competency models into workforce development is strategic alignment of vision and funding to providers to produce desired outcomes. It is no longer sufficient to merely expend WIA funds without connection to strategic outcomes

Competency Models & Work Ready Credential



Work Ready Credential

These competencies define the fundamental workforce skills that transcend industry sectors for a productive and sustainable economy.

A Work Ready Credential for AWWIB targeted industries must become the standard for curriculum adopted by all levels of education, workforce training providers and industry.

Industry specific competencies follow on after the achievement of Work Ready Credentials.

Engaging Employers

Employer leadership in workforce development is key to a successful WCOE model. Engaging employers should extend beyond sharing of job posting networks and include:

- Collaboratively developed and financed training programs
- Retention and advancement of employees
- Earlier exposure to the workplace, including structured job shadow, internship and apprenticeship programs



Examples of AWWIB Employer Engagement Efforts

Healthcare Forum -

- 100+ incumbent workers were trained in their professions and/or new positions.
- 12 healthcare institutions and all five regional higher education institutions
- 50+ under or unemployed residents received training that led to employment with the 12 healthcare institutions

Local Workforce Provider Assessment Services -

- Aroostook County Action Program (ACAP) and Maine DOL work with local companies to assist in hiring and recruitment activities including application processing, assessment tools, Test Adult Basic Education (TABE), Career Ability Placement Survey (CAPs)

The APP *Education to Industry* initiative in Aroostook County is a good start to expand employer engagement – see slide #41

Engaging Educators, Counselors & Providers

Educators, academic & career counselors, and workforce training providers stand as gatekeepers to opportunity for a vast majority of people who are either current or future members of the regional labor pool.



Yet as gatekeepers they are often unaware of, or even obstacles to, entry points for available training and education opportunities.

Therefore it is incumbent upon the WCOE to ensure that every K-12 teacher and guidance counselor, every community college and university academic counselor in the region is involved and proficient in advising and directing students to the resources available.

In addition, Career Center Counselors are the frontline contact for those persons currently unemployed and/or underemployed seeking a new position. Just as with academic counselors, the WCOE should ensure that career center staff are fully knowledgeable about the region's workforce vision, strategic objectives and resources.

Entrepreneurship

97% of Maine's employers have fewer than 50 employees (63% have fewer than 5 employees), and business ownership is one of the many ways individuals can achieve economic security – Maine State Workforce Investment Board



Maine State WIB Policy:

The promotion of entrepreneurship is a required service in Maine Career Centers.



One of the identified weaknesses within the Aroostook-Washington region has been the lack of an Entrepreneur Ecosystem and strategic direction.

Development of a WCOE must proceed hand in hand with the implementation of an Entrepreneur Ecosystem, including a Venture Development Organization (VDO) based in Northern Maine.

While the AWWIB and WCOE are not directly responsible for such a VDO, there must be a direct linkage and true collaboration for the entire system to produce the desired transformative outcomes and reverse the perpetual loss of jobs and long-term population decline which have plagued the region for the past 30+ years.

Communication with the People

A WCOE employs a comprehensive and consistent communication plan for workforce development outreach to contact the following audiences:



- ✓ **Clients** – Each of these workforce prospect markets require a uniquely designed communication approach. The communication plan objective is to frequently communicate employment and skills improvement opportunities to build a robust workforce prospect pool for the entire economy.
 - Unemployed in the workforce system
 - Workforce prospects 14-18 year olds
 - Underemployed in the regional economy
 - 55+ workforce
- ✓ **Employers** – Businesses should be communicated with on a regular basis (monthly) broadly and with specific industry sectors. Consistently delivered messages are intended to: a) communicate resources/programs available, b) activities underway, c) quantifiable examples of how the WCOE is producing results for business, d) encourage ongoing dialogue regarding employer needs.
- ✓ **Workforce Development Network** – communication within the workforce provider network is focused on keeping all members up to date on programs, courses and immediate workforce needs.

A best practice communications plan implies employing an **Open Systems Planning Model** – including collaborative strategic planning, consistent sharing of information, communicating opportunities and outcomes and employing a “total quality improvement” culture.

Measuring Performance and Outcomes

Common Performance Measures for Workforce Development	
<i>Adults & Dislocated Workers</i>	<i>Youth</i>
Entered Employment	Placement in Employment or Education
Retention	Attainment of Degree or Certificate
Earnings Increase	Literacy or Numeracy Gains
Efficiency (Cost Per Participant)	Efficiency (Cost Per Participant)

Source: U.S. Office of Management and Budget (OMB)

Additionally, data must be collected and shared on participant satisfaction of both jobseekers and employers.

While data collection is required by WIA regulations, data should be shared and used to improve performance and outcomes.

Maine State WIB Scorecard Metrics
Adult Entered Employment
Adult Retention
Adult Average Earnings
Dislocated Entered Employment
Dislocated Retention
Dislocated Average Earnings
Youth Placement in Employment/Education
Youth Attain Degree/Credential
Youth Numeracy & Literacy

Education to Industry Campaign, Fits the Model!

The Aroostook Partnership for Progress led by their Board of Directors and Bob Dorsey, President & CEO, recognized the human capital issue and launched the *Education to Industry Campaign*. The initiative concept and mission exactly fits into the regional WCOE model and the progress to date provides a solid head start for the retention and attraction of human capital. The following is a brief outline of the strategy elements.

Retention – “keep the human capital we have”

- Expansion of Junior Achievement, core teams have been formed in Fort Kent, St. John Valley, Presque Isle and Houlton
- Expand Jobs for Maine Graduates in the region, available now in Fort Kent and Houlton
- Expand job shadow and internship opportunities

Attraction – “pull new human capital into the economy”

- Working group established with educators, public relations & media
- Connections with high school, college and University alumni associations

Mentoring – “grow the human capital we have”

- Business and retired leaders have structured contact with young people
- Real life engagement linked directly to career employment in the region

Finance – “life blood for the human capital”

- Collaborative funding models will enable and expand the campaign
- Campaign performance will open up new funding channels and attract additional capital

Key Questions:

1. How can current AWWIB funds enable quicker execution of the campaign plans?
2. Who is the long term owner of specific campaign programs and activities?



Bottom-line – the region needs more human capital!

1. Even if Washington and Aroostook counties could retain every high school, college, and university graduate trained in the region, we would still have a laborforce demand/supply gap.
2. In a post baby-boom era, birth rates and immigration in the Northeast U.S. are lower than sustainable rates and out-migration exceeds in-migration. The Aroostook Washington County region leads this trend by an order of magnitude.



For Aroostook and Washington to reverse current trends there must be a consistent effort to attract new talent to the region.

Solution Path-

*No one organization or entity holds or owns the solution. It will take new, creative and aggressive region-wide actions including deeply engrained policy and cultural shifts. The WCOE must define its role in **attracting** and preparing a future workforce.*

Conclusion

The AWWIB is the driver of the WCOE. Development of the WCOE begins engaging committed leadership to define and support a transformative **vision**.

Successful outcomes are the result of the implementation of **strategies** built around that vision to achieve specific **goals**.

Being strategic also means employing an **open systems planning model** so that all stakeholders can see that WIA funds are being applied to achieve desired outcomes as efficiently as possible.

All of this requires **collaboration** among multiple entities across the entire region.

Transparent tracking and reporting of **performance metrics** ensures stakeholders that their respective investments of time, talent, and treasure are producing the desired outcomes.

