

GOVERNOR'S EXECUTIVE WORKFORCE BOARD

June 11, 2013

Riffe Center

77 South High Street, 31st Floor

South B & C

Columbus, OH 43215

The Governor's Executive Workforce Board meeting convened at 1:08 p.m. on Tuesday, June 11, 2013. This Board was created under the Governor's Executive Order 2012-02K, pursuant to Ohio Revised Code Section 6301.04.

Members Present:

Governor John Kasich
R. Blane Walter
Ralf Bronnenmeier
Roy A. Church
Janet Weir Creighton
Dennis Franks
Vicki Giambrone
Amanda Hoyt
John Komor
Phillip L. Parker
Albert B. Ratner
Doug Reffitt
Jamie Regg
Patrick Sink
Richard A. Stoff
David Whitehead

Staff Present:

Mark Birnbrich
Michael Evans
Nithya Govindasamy
Julia Hinten
Tracy Intihar
Ben Kanzeg
Dawn Larzelere
Diane Lease
Christine Morrison
Wayne Struble
John Weber

Ohio General Assembly Representatives:

John E. Barnes, Jr.
Bill Beagle
Tim Derickson
Lou Gentile

Introductory Remarks

Chair Walter opened the meeting and welcomed everyone.

Chair Walter recognized a new member of the board, Jamie Regg, *General Electric*. Chair Walter also announced Dennis Nash is serving as Vice Chair of the Board.

After introductory remarks, Chair Walter asked if there were any questions or comments on the minutes from the March 12, 2013 meeting. Hearing none, Chair Walter proceeded by providing a “before and after” visual of the workforce system. Chair Walter explained how the visual helps capture the work outlined in the strategic plan including how the components are tied together and what is to be accomplished on a system basis.

Chair Walter turned the meeting over to Richard Stoff, *Ohio Business Roundtable*.

Identifying Business Jobs/Skills Needs

- **Forecasting Update**

Richard Stoff shared an update on the deployment of the forecasting tool. The update included the following:

- 1) The Ohio Business Roundtable has wrapped up Phase 1 deployment, sending the forecasting tool to 130 member companies.
- 2) Of the 130 surveys sent, 50 percent responded projecting 42,000 jobs over the next five year period.
- 3) The tool is collecting forecast data on a company’s most critical job shortages; one, three and five years out.
- 4) The Office of Workforce Transformation and Ohio Department of Job and Family Services helped inform the companies forecasting process by providing both historical data and present hiring information.
- 5) To maintain a company level of confidentiality, the forecast data have been aggregated at the sector and regional level and is not disclosed by company.
- 6) The data has been transmitted to the State of Ohio.
- 7) With security controls, the state is providing only aggregated data to training providers, educational institutions and students to help plan course content and predict the number of graduating students in the institutions.
- 8) Phase two, undertaken by the Office of Workforce Transformation and the Ohio Department of Job and Family Services, will collect data from more than 2,000 companies representing Ohio’s critical clusters as defined by JobsOhio.

Richard Stoff shared a few observations moving forward. The lessons learned included the following:

- 1) Limiting the number of questions to the businesses increases the probability of data collection.
- 2) Sending the tool to the CEO or the highest level manager is critical to maintain momentum and reach beyond typical survey response rates.
 - a. Median survey response rates ~26 percent (www.supersurvey.com)
- 3) The highest percentage of response activity was experienced between two to three weeks following the initial invitation to participate.
 - a. Consider scheduling follow up calls every three weeks during the forecast period.
- 4) Help desk calls were kept to a minimum with questions primarily related to password resets and job titles not directly aligned to standard occupation codes.

Mark Birnbrich provided an employment forecasting report for the entire State of Ohio by major industry. Mark shared there are three points of data that are being brought together within the forecast: 1) Four years' worth of historic job postings from OhioMeansJobs; 2) Five years' worth of forecasting data pulled from the forecasting tool; and 3) industry data compiled by Ohio Labor Market Information, including the 2010 Annual Employment, the 2020 Annual Employment Projections, percentage changes in employment between 2010-2020, and wage and educational attainment information for each occupation. The dataset derived from the forecasting tool is used as a baseline to identify the most in-demand occupations.

Mark stated it's important that the value of all three data points is shown and how they lead to a dialogue for these industry sector conversations. The next step is aligning the supply side and then ensure that we have the skilled workers to meet the demand.

Ralf Bronnenmeir asked why there wasn't anything manufacturing related represented in the report.

Tracy Intihar responded in Phase II there will be a better understanding obtained of where Ohio's most urgent job needs are. The deployment will be targeted to the top 250 companies in each of the nine JobsOhio industry clusters. Many of the industries that have been identified as driving the economy include manufacturing. The next wave is to send the forecasting tool to the Shale industry and continue to roll out the comprehensive list of 2,000 companies in the upcoming months.

Prioritize and Align Education (K-12 and Higher Education) and Job Training Reform

- **Education and Training Program Inventory**

Chancellor John Carey, *Ohio Board of Regents* shared that the Ohio Board of Regents is working with the Office of Workforce Transformation to build a comprehensive education and training inventory that is mapped to jobs that are available in Ohio. This effort will provide Ohio's businesses with a snapshot of programs available as well as the potential talent supply pipeline in Ohio that will feed into the job openings. It will also deliver a resource to Ohio's students and jobseekers as to which programs will give them the skills necessary to obtain a particular career. The inventory is a way to align Ohio's education and training programs with the in demand jobs and skills around the state. Through the collaboration with OhioMeansJobs and the Ohio Department of Job and Family Services we know that there are more than 100,000 job openings that require skilled workers in several critical industries. This inventory will benefit students interested in career options, employers wanting to know what training is available for incumbent workers and also recent graduates. This inventory information along with the forecast data will be shared with industries that are facing workforce challenges in order to address the workforce and skilled gaps identified. This can be a starting point to change the way the education and training systems in Ohio does business resulting in a skilled workforce specifically trained for the jobs available.

The goal is to create an innovative, user friendly online portal that will display education and training programs and the talent pipeline that connects to Ohio's most in demand jobs. In Phase I of the project existing higher education program data from public institutions will be used to develop an inventory. Proprietary schools and private institutions will be incorporated in the subsequent phases of the project. A functional portal will be developed in the first phase that displays the current education and training data mapped to jobs. This phase is anticipated to be completed by the end of September. Based on feedback from Phase I, further developments will be made to the inventory in the subsequent phases of this project.

Phil Parker inquired if the numbers received back from the surveys were projected shortfalls or projected number of jobs needed?

Richard Stoff stated the survey asks for the most critical job shortages.

Phil Parker commented that it is necessary to analyze this data and ensure that the information provided to the public is accurate.

Roy Church commented that forecasting is the critical driver in engendering the conversation between employers and suppliers. Ohio has a fabric of initiatives already in place such as JobsOhio and Magnet that create a ready-made forum for conversations around supply and demand. Prior to the forecast it was difficult to triangulate a comprehensive view of the high demand needs and now with the forecast it is more systematic.

David Whitehead mentioned in northeast Ohio there is another example of the connection between the educational institutions and employers. Community Colleges are partnering with Ford Motor Company to offer a three year program to train 750 workers.

- **Industry Sector Partnerships**

Tracy Intihar shared a twofold process for creating more industry sector partnerships. The first is to analyze more complete forecast data to help identify the most urgent priorities. The second piece is to create an online tool kit with access to information for other organizations to create a dialogue on their own. The tool kit will provide access to the forecasting, inventory and will offer a performance metrics.

Tracy Intihar introduced Cheryl Hay, *Columbus State Community College* and Ross Meyer, *United Way of Greater Cincinnati*.

Cheryl Hay shared Columbus State Community College has developed a skills training program in the logistics industry and have trained 915 people in a three week program with 75 percent of those individuals securing employment. Sixty percent of those were unemployed for more than six months. Truck driver training was also offered as part of the program and 247 individuals were trained with 43 percent of those employed longer than six months and a 98 percent placement rate. For industries that are part of the targeted industry list for the state, they created a bio-manufacturing program. Sixty-seven individuals graduated in that program and of that over half secured employment, 57 percent were unemployed over six months and most of those folks found employment in bio or medical fields. In the IT space, they put together a training program for business analysts that consisted of 12 individuals. Nine of these individuals secured employment at an average wage of \$70,000. In the logistics program individuals were employed at wage rates from \$8.50 an hour to highest placement was \$85,000 a year.

Chair Walter asked when Columbus State Community College identified the needs in these sectors, what percentage were the employers contacted and what percentage did the employer contact the college? Once the forecasting tool is available, how does Columbus State Community College plan to use it to drive their efforts?

Cheryl Hay explained that it originated from the college developing a strategy on how to determine what the regional labor market currency was for students and what will get them jobs. The industry sector partnership conversation always started with the forecast information and LMI data. The businesses would tell the college what was right and wrong with the data as it related to new occupations.

Cheryl Hay recommended in sector work that concise information should be provided to employers.

Governor Kasich shared the insurance sector is doing well as they have contracted with a number of the two and four year schools. There is continued effort for the Oil and Gas industry to be made up of Ohio workers.

Governor Kasich asked Richard Stoff why there were only 50 percent companies participating in the Accenture tool that was sent to the 130 member companies.

Richard Stoff stated with a little more follow up and possibly the Governor reaching out to companies we can get from 50 percent to 75 percent.

Governor Kasich stated the legislature understands the need to engage the technical and vocational schools. Ohio should be a state where students know they can find a job upon graduation.

Roy Church reminded Governor Kasich of the progress that has been made with other economic investments. The Governor helped US Steel and Republic Steel in Lorain invest about \$800 million in improving pipe production for Oil & Shale exploration. Governor Kasich then encouraged them to go to the educational institutions to help profile the workforce they need. *Lorain County Community College* is now in the process of helping them hire 300 new employees to drive Republic Steel's utilization of the tools they have.

Ross Meyer shared that *United Way of Greater Cincinnati* over the past five years has invested in creating four industry sector partnerships in healthcare, advanced manufacturing, construction and information technology. Through this approach, they have been able to demonstrate transformative results for both workers and employers. In their healthcare, construction and advanced manufacturing sector partnerships in the past five years, they have trained over 6400 people for "in-demand" jobs: 87 percent completing training; 82 percent getting jobs; 75 percent keeping jobs for at least a year; and generating for the state \$7.3 million in increased earnings every year. In their healthcare sector partnership, they have been able to demonstrate a positive 12 percent ROI through reduced turnover and reduced recruitment costs.

Ross Meyer shared the USJAO recognized *United Way of Greater Cincinnati's* healthcare partnership as one of fourteen best practices in the country for employer driven partnerships.

Dennis Franks asked if the ROI information could be shared with other United Way agencies.

Ross Meyer will provide the information to the United Way in Dayton.

Dawn Larzelere shared information on Executive Order 2013-05K that was to be signed by Governor Kasich. The Executive Order requires that military training and education be taken into account by state boards and commissions when issuing occupational certifications and licensing and that the Board of Regents work with the University System of Ohio to award college credit for military training and education.

Col. Moe stated the objective of this Executive Order is to tear down senseless barriers for those who have served our country and let them know that Ohio is a state that values not only their service but their talents and experiences. This is giving veterans a huge "hand up" in their transition from the military to civilian life.

Governor Kasich signed the Executive Order.

- **Performance Measures Discussion**

John Weber shared the Office of Workforce Transformation has started discussion with the local and state workforce system to create clear, simple, uniform, easy to understand metrics to ensure workforce dollars are being spent where they are needed most. The Office of Workforce Transformation is looking to the Governor's Executive Board to provide input on business performance measures to ensure Ohio is serving businesses properly. Identifying a series of common performance measures for all workforce programs will prove to be an important benchmark to determine the success of Ohio's reform efforts.

Tracy Intihar provided an overview of the proposed aligned performance measures and asked the board for feedback.

Dennis Franks suggested exploring how to obtain the employer ROI information.

Al Ratner suggested coming up with a way to share performance measures information to the public.

Roy Church suggested establishing metrics per sector that would track industry sector partnerships.

Tracy Intihar proposed that specific measures will be shared at the next meeting in September.

Ohio's Workforce Delivery System

- **Legislative Update**

Senator Beagle shared that S.B. 1, H.B. 1 and H.B. 2 should all be out of their respective committees and on to the floors by the end of the June. H.B. 77 is moving out of committee and H.B 59 just left the Senate chambers.

Representative Derickson shared that the House had their fourth hearing on S.B. 1 and will be moving that as well.

Representative Derickson provided an overview of what was going on in the legislature regarding Workforce Development:

- H.B. 1 & H.B. 2
- S.B. 1 & S.B. 2
- Ohio Learn to Earn
- Amendment to the budget in the House for the economically disadvantaged
- House concurrent resolution 23 urging congress to re-authorize WIA
- Funding for Prevention, Retention and Contingency (PRC)

- H.B 98

Adjournment

Chair Walter concluded the meeting by thanking everyone for coming and shared at the next September 10, 2013 meeting the board will provide an overview. The meeting adjourned at 2:55 p.m.

DRAFT