

**Local Governance and Sector Strategies WIOA Subcommittee**  
**4/6/15 Meeting Notes:**

**Attending:** Creigh Agnew, Bill Messenger, Annette Herup, Caitlyn Jekel, Dave Wallace, Agnes Balassa, Dale Peinecke, Mark Mattke, Carolyn McKinnon, Kathy Goebel, Katie Mirkovich, Mark Adreon, Jeanne Bennett, Elizabeth Laukea, Jeff Parnell (representing Marlena Sessions)

**Presenters:** Kyle West, Steve Sewell, Ann Avary, Sean Murphy, Cynthia Forland, Scott Wheeler, Amy Anderson

Creigh Agnew opened the meeting, reviewed the agenda and mentioned upcoming meetings

**Sector Strategies Task Force Report and Presentation**

Bill Messenger reviewed the Sectors Task Force charter and stated that the task force met on 3/25 and got off to a good start. He thanked Carolyn and Jennifer for facilitating the meeting.

**Key Points:**

- Task force identified some statewide principles, and developed some initial recommendations to be further fleshed out at the next meeting.
- Task force scanned state policy, statewide strategies, and local initiatives for (a) what works, (b) what needs refinement, (c) what opportunities exist to do things differently.
- State sector strategies:
  - Governor Inslee's Sector Leads and Centers of Excellence are primary examples – they are working well as is criteria established by Commerce and the Workforce Board.
  - How does Workforce Board want to support/engage statewide strategies?
  - Do we recommend criteria such as location quotients and in-demand, mid-level occupations?
- Local/regional: The 2008-09 criteria and process for identifying/targeting clusters are too complex. Revise. Spokane has some model criteria and processes that could be generalized for all local areas.
- Skill gaps: Need to have a conversation about how to ID and assess gaps.
  - There are examples of statewide gaps analysis (e.g., aerospace pipeline survey, maritime survey). There are statewide LMI tools. There's the Joint Report supply-demand gap analysis by education level. And there are probably a variety of local gaps analyses – some more quantitative than others.
  - Is there a role for the state to conduct sector-specific gaps analyses? Other roles?
  - Will the Task Force make any recommendations about criteria and process for identifying skills gaps?

- The Sectors Task Force identified the importance of learning from the experts on the ground – those who are actively implementing sector strategies.

Bill introduced a panel consisting of Steve Sewell, Dept. of Commerce, Ann Avary, Center of Excellence for Marine Manufacturing and Technology, Kyle West, Spokane Area Workforce Development Council, Sean Murphy, Pacific Mountain WDC.

- Steve spoke on the Maritime Sector, which is one of the sectors identified by Governor Inslee for special attention, in part because of its deceptive (or “stealth”) importance in our economy. The sector directly and indirectly employs 148,000 persons and brought in \$15.2 billion in gross business income. He updated the groups on current maritime task forces, summits, federations, and commissioned studies. The most important sector priorities are workforce development and dealing with the disproportionately high regulatory burdens. *Steve answered a question on the regulatory burden by giving an example of replacement efforts of the aging fishing fleet and the value it represents.*
- Ann Avary spoke on why maritime is a designated Center of Excellence (economic presence in state, global importance/export impact, high-tech, presence of public shipyard). She covered the history of the Center and the important players that lend expertise and funding. The Center supports a number of initiatives including development of guides, industry surveys, curriculum, and professional development. *Ann answered the regulatory burden question by speaking on credentialing specific to mariners. Regulatory standards are driven by Coast Guard standards. There is work being done to more easily transition folks from the Navy & Coast Guard to civilian maritime jobs.*
- Kyle shared the approach used by the Spokane WDC to identify targeted sectors. The WDC relies heavily on local data to identify industries that could benefit from assistance. Location quotients (LQs) are accepted as an indicator of competitive advantage, which in Spokane is pretty much health care & social services. In addition to factors like LQs, projected growth, wages, and education levels required for in-demand jobs, the WDC also considers factors like whether these industries are facing significant employee retirements, creating replacement jobs, whether these industries provide good opportunities for WorkSource Customers, and whether they provide career opportunities. Kyle also described the various interventions used at the local level to fill skill gaps and described how the local youth program was built on sector strategies. He mentioned they have significant interaction with economists (both public and private), economic development professionals, and educators. Mark Adreon asked if they communicated with the Workfirst program: *(Kyle) Yes, several locations bring in TANF recipients and Basic Education for Adults program participants.* Mark Adreon also asked if the funding was WIA or something else: *(Kyle) the roadmap was privately funded while the rest are federally funded.*
- Sean described how the Cammo2Commerce program used the relationships built via existing sector strategies to tailor training and job search activities for transitioning

veterans. Using industry knowledge gained through sector strategies, the program creates industry- and occupation-specific job fairs to better match vets' experience and training to those hiring for specific openings. Industry knowledge also helps program staff better identify the certifications and trainings that help vets translate their skills into civilian occupations. Sean stated that Pac Mountain WDC used an approach similar to Spokane's to initially identify sectors. However, some sectors like tourism had data-limitations as much of it in the region is tribal owned. The goal of the program is to have the most prepared prospective employees, and they won't look at jobs paying less than \$15.00 per hour with a path to \$20.00 per hour. The military has developed a system where folks receive short-term training and then are engaged in OJT– they would like to continue this approach where possible.

- Panel Discussion:[Q] What is the most useful strategy ? (Sean) placement, who's hiring, how much are they paying, and what path exists. [Q] What data is most useful to identify sector? (Kyle) industry & occupational projections, then look at demand, education level, wage progression. Also particularly hard nuts like high youth unemployment, silver tsunami, etc. That is why they shifted to industry cohort standard. Prioritize teaching soft skills like financial literacy, more flexible training to match population needs. (Ann) also looking at the educational infrastructure to train folks. Even where an industry is mature, is it ready to match technological and regulatory changes? (Steve) struggling with getting handle on where the gaps are in the industry. So even if we know how many jobs, we prefer to know how many openings. [Q] Are maritime employers satisfied with these efforts? (Steve) they are often tired of all the lack of outcomes that give them more capacity. (Sean) When HR folks are at very generalized events trying to fill jobs they get pulled in a lot of directions, therefore inviting them to very specific directed events make them much happier. [Q] Are you working with 1-stop centers (Ann) all the time – for example to identify industry partners for specific populations. Another example is with veterans for the composites industry classes. [Q] how could we scale it up to meet employer demand? (Ann) An example is how Seattle CC had a wood-intensive program in Maritime, but has transitioned over to areas like Marine electronics/ HVAC etc. (Steve) one of the shipyards built a welding facility for training in a Seattle shipyard – this model can be replicated). [Q] How are you measuring outcomes for sector strategy? (Kyle) WIA performance metrics and cluster reports put together for them show all kinds of things like exit wages, if there is no wage progression is there stackable credentials? Coupling this with projections and whatever else is out there gives a nice tapestry of information. [Q] Do you run into privacy issues when a sector is too small? (Kyle) it is limited to WIA programs which are by nature big enough. [Q] how are you measuring outcomes for sector strategy? (Sean) placement and how long they stay in the job is the most important metric, and how much they made. If not placed in 45 days they will not continue a training. (Ann) also add any credentials available.

Agnes identified some key themes from the presentation for the Task Force to consider at its next meeting:

- It seems like there are set of specific data that are useful in identifying sectors. Can that be provided in a more routine fashion to locals?
- All of the presenters identified the same partners for implementation of strategies. Would additional partners need to be added for sector strategies to also address the needs of those with more significant barriers to employment?
- Each of the presenters mentioned WIA data as a key measure of their successful implementation of sector strategies. Are there other outcome measures that would help the state board, WDCs, businesses, funders, and others know whether sector strategies are effective at closing skill gaps, getting more people, and meeting industry needs for skilled employees.

### **Regions**

Annette Herup reviewed the responsibilities of the Task Force on Regions. She stated that only two people signed up – more members are needed to convene the group. In the meantime Cynthia Forland and Scott Wheeler were asked to work with the regional planning tool that was shared at the last meeting and bring some initial recommendations to this subcommittee

Cynthia and Scott reviewed the data that the tool is based on - commute patterns and sectors. They showed several maps that were built using each of these factors as well as a combination of factors. The tool clearly shows that there are three “centers of gravity” based on commute pattern data – the greater Seattle area, the Spokane area, and the Vancouver/Portland area. When looking at sectors, the patterns are not as explicit. They shared 3 or 4 initial maps based on sectors and commute patterns for the subcommittee to consider.

Members discussed whether creating regions also meant changing WDC boundaries. Cynthia explained that the law indicates that regions should be made up of whole local areas. Agnes clarified that regional planning called for coordination among the WDCs in a region on a number of issues ranging from shared administrative costs to sector strategies, to service delivery. It would not be reasonable for WDCs to try to participate in more than one regional plan. Creating regions is not the same as merging WDCs or breaking them up. Some of the data does show that some local areas are split between regions based on the commute data. That data could be shared with local elected officials, but it would be up to them to decide if they were interested in new boundaries.

Annette asked the committee for input on how to vet regional boundaries with local boards and local elected officials. The co-chairs were interested in issuing a letter to WDC Directors, Board Chairs and Chief Elected Officials asking for input. The subcommittee recommended asking the Chief Local Elected Officials to engage the local consortia of local elected officials. Members felt that locals would need a presentation to better understand the issues and opportunities in regional planning. It was recommended that the state host a webinar (or a series of webinars) to provide the context for the letter and share key information necessary for

local discussions. There was discussion of using the elected officials that serve on WDC Boards as a starting point.

### ***Local Governance***

Caitlyn Jekel noted that at the last Steering Committee meeting there was some confusion about the timing for Local Boards to comply with WIOA membership criteria. She clarified that the Task Force on Local Governance was scheduled to meet in April to complete the subcommittee's responsibility for determining whether criteria in addition to what is the Act should be applied to local board membership. She specified that Organized Labor had discussed this topic and would be making a proposal that the apprenticeship member be nominated by local labor council in addition to the labor members. There was some worry from members about the fact that we don't yet know if we will have a combined or unified plan and hence don't necessarily know who the players are. Amy Anderson explained that the Association of Washington Business was in contact with its membership to discuss whether the council and its local chapters should play a larger role in nominating board members. These topics will be discussed at the next task force meeting.