

COUNCIL ON WORKFORCE INVESTMENT

MEETING MINUTES

June 16, 2006

Best Western Inn on the Park, Madison

- Members Present:** Paul Linzmeyer (Chair), Colleen Bates, Fredi Ellen Bove (for Helen Nelson), Thomas Burse, William Chaudoir, Jayson Chung (for Dan Clancy), Jessica Clark (for Matthew Frank, Jewel Currie, Barbara Fleisner, Roberta Gassman, , State Senator Dave Hansen, Susan Hatch, John Heyer, James Hill, Erica Kauten, Tina Koehn, Douglas Moquin, A. Kent Olson, Aaron Olver (for Mary Burke, Lee Rasch, Mark Reihl, Joel Rogers (Vice-chair), Donald Rouse, Patrick Schillinger, John Scocos, Georgann Stinson, Julia Taylor, Joan Wilk, State Representative Josh Zepnick
- Members Absent:** Daniel Andrist, Lyle Balistreri, Elizabeth Burmaster, Rodney Copes, Kathleen Drengler, Mary Lu Gerke, James Haney, Ellen Holt, State Senator Joe Leibham, Xiong Lo, , Phil Neuenfeldt, Christopher Ruud, Norma Tirado, David Vierhaler, Dean Welch
- CWI Staff Present:** Sue Gleason, Sheryl Billups, Fred Bartol, Pam O'Brien, Linda Williamson, Mary Poshold, Gloria Kirchoff
- Others Present:** Elizabeth Menzer (WFA, Inc.); Mike Wojcicki (WMEP); Amy Sherman (CAEL); John Wagnitz (Sen. Dave Hansen); Bill Clingan, Ron Danowski, Dianne Reynolds, Lea Collins-Worachek, Mike Greco, Enid Glenn, Leslie Mirkin (DWD); Teresa Barch (WAJTE/WWDA); Bob Borremans (SW WDB); Pat Schramm (WDB SCW); Steve Terry (NW WIB, Inc.); Dick Best (WC WDA), Beth Norris (SE WDA); Sally Cutler (NCW WDB); Justin Markosfski (North port-Packer Apartments); Jennifer Riggerback (UW Milwaukee)

Key Issues/Discussion

I. Call to Order and Minutes

Paul Linzmeyer (chair) called the meeting to order at approximately 9:00 a.m. Minutes were presented for approval. Doug Moquin noted a needed correction to include a missing word (page 5, Milwaukee Workforce System).

Action: John Heyer moved to approve the minutes as corrected; the motion was seconded and approved unanimously.

II. CWI Liaisons Report (Sue Gleason)

A. **Regional Metrics**

Gleason reviewed issue of incorporating business birth and death data into the CWI's metric system. She explained that this could provide a valid measure of businesses created and businesses leaving that can be developed on a regional basis. She further explained that the Workforce Information Grant that DWD receives every year could be used to support this data collection effort.

During CWI discussion, questions were raised about the terminology (could business establishment replace birth/death), the extent to which data measured single

proprietorships, and the value of polling local areas to determine what data on this issue is being collected already. Gleason explained that the "birth/death" terminology is standard. She also noted that since information is collected largely from UI data, there is a gap in information available about single proprietorships; other potential data sources (e.g., from Department of Financial Institutions) also carry some limitations. Finally, she noted that locally collected data would be problematic and would generally not be able to meet the criteria for the statewide metric system.

Action: Bill Chadoir moved to accept the recommendation that DWD begin producing data on regional births and deaths for inclusion in the metrics system and consider using US DOL Workforce Information Grant funds to support this effort. The motion was seconded by Joan Wilk and passed unanimously.

B. WIA Incentive Grants and Related Issues

Gleason reported that Wisconsin has received an incentive award of \$714,000 from the U.S. DOL due to the State's performance in 2004-2005 WIA, Carl Perkins, and Adult Education and Family Literacy programs. An application developed jointly by the Department of Workforce Development, Wisconsin Technical College System, and Department of Public Instruction has been submitted and includes a focus on advanced manufacturing and occupationally related basic skills. Gleason also noted that the CWI will be considering how best to use CWI dollars for advanced manufacturing; it will need to factor into its deliberations this grant as well as other state and local manufacturing related activities.

III. Report -- Workforce Development Board Baldrige Leadership Assessment

Linzmeyer introduced Elizabeth Menzer, Executive Director, Wisconsin Forward Award, Inc. He also commented on the joint CWI/WFA reception at the Governor's Residence held the night before, as well as the CWI connection to the WFA program.

Menzer reported on the process used and results from the Baldrige Express WDB Leadership assessments supported with CWI funds. Seven Boards completed the assessment; one more was in the process of completing it. Results indicate that, based on the Baldrige scoring methodology and WFA recognition categories, one of the WDBs scored at the WFA "Mastery Level" and six scored at the WFA "Proficiency" level. A key overall strength is board and executive director leadership; a key improvement opportunity is aligning strategy development with implementation/execution.

In response to a comment about the difficulty some Board members had with the survey, Menzer indicated that the assessment instrument and process had been modified to address issues identified during the first assessment. In response to a question about DWD participation in the assessment, Secretary Gassman indicated that DWD supports the WFA program, several DWD employees actively participate, and DWD is open to considering engaging in the assessment at some point.

IV. Presentation -- Advanced Manufacturing: Linking Workforce and Economic Development

Aaron Olver (Dept. of Commerce), Mike Wojcicki (Wisconsin Manufacturing Extension Partnership), and Beth Norris (Southeast WDB) discussed advanced manufacturing and related workforce development issues. Olver, noting the economic progress the state has made over the last three years, reviewed the importance of manufacturing to the state's economy. Wojcicki discussed the findings from a recent WMEP study on Wisconsin's manufacturing sector. Norris discussed how the Southeast WDA is approaching efforts to support manufacturing in the southeast area of Wisconsin. Among key points discussed were the following:

- A key strategy to ensure growth is to shore up that part of the economy that is strong -- the "first horizon" of growth, which in Wisconsin is manufacturing. Employment in manufacturing is the second highest in the nation; the sector accounts for about 25% of

the state's economy. Wisconsin's manufacturing sector has stabilized and is growing, while neighboring states continue to lose their manufacturing base.

- WMEP's Manufacturing Study identified several manufacturing industry drivers statewide and regionally; these are industries that drive regional economic growth. Among other key points were the following:
 - ⇒ While Wisconsin manufacturing is robust, it will need to increase productivity; which means doing more work with fewer, but more highly skilled, workers.
 - ⇒ A significant percentage of Wisconsin's manufacturing employers view availability of a skilled workforce among their key issues over next five to 10 years.
 - ⇒ Key challenges include attracting and retaining a high quality labor force and an emerging two-tiered workforce
- Southeast Wisconsin engaged in regional study to identify its key industries, results of which confirmed and strengthened their understanding of their manufacturing-based economy and strong manufacturing culture. The region views its workforce development system in a broad context, involving not just WIA/Job Centers, but also education, economic development, business, etc. This has resulted in a variety of industry sector strategies and training innovations (e.g., Industry Alliance Initiative, development of three technology centers, CAN Boot Camp, etc.). This broad vision is evolving into a broader regional effort (GROW -- Southeast Workforce Regional Alliance and Milwaukee)

It was also noted in discussion that a common factor in high performance workplaces is that they provide more than 60 hours of training per employee. The State will need to continue to fight for training resources, as well as encourage youth to look at manufacturing as a valuable career path.

V. Committee Reports

A. **Executive Committee**

1. CWI Special Innovations Projects

Gassman and Linzmeyer announced the two final recipients of the CWI's Special Innovations Project Funds, Southwest WDB and South Central WDB, each of which is receiving \$100,000. The Southwest WDB project is to develop/implement a "virtual" job center in partnership with North Central WDB and Northwest WDB. The South Central WDB will establish a distance learning network in partnership with the Educational Communications Board. Governor Doyle previously announced that the Racine Area Manufacturing and Commerce is receiving \$100,000 in CWI funds to implement its advanced manufacturing project.

2. GROW II

Linzmeyer briefly reviewed the GROW II principles recommended by the Executive Committee at its last meeting.

Action: Joel Rogers moved and Barbara Fleisner seconded the motion to accept the GROW II principles as recommended. The motion passed unanimously.

3. Dislocated Worker Subcommittee

Mark Reihl reported on the May 17th Dislocated Subcommittee meeting, during which one new project was recommended for current year (PY 05) funding and approximately \$2.3 million in new (PY 06) funding was recommended for seven workforce development areas. Reihl noted that approximately \$4.4 million is available for the year starting July 1, 2006. He also reported that the state has 10 National Emergency Grants totaling over \$9.9 million currently operating in six WDAs. Reihl also noted that the CWI supported Advanced Transformer Study is moving forward and will have a final report available by September 30.

B. **Workforce Systems Development Committee**

Tina Koehn reported that the Committee's system improvement recommendations and Ad Hoc Milwaukee Committee recommendations approved at the last CWI meeting

were sent to the Governor. In addition, the Ad Hoc Milwaukee Committee has been disbanded, though Milwaukee issues will be a standing Committee agenda item. Finally, she indicated that the Committee set "next step" priorities and is working on recommendations related to improving the way to engage employers and improving collaboration and coordination. Koehn also noted that the Committee will hold off on its "dash board" project until after the Council's regional metrics initiative is completed.

C. Workforce Strategies Committee

Lee Rasch reported on the April 28 meeting of the Strategies Committee, during which the Committee received an update on current GROW grants and reviewed and suggested changes to the GROW II principles now approved. The Committee also had a brief discussion regarding use of the CWI's \$100,000 reserved for advanced manufacturing. As a follow-up to that discussion, Committee staff sent a survey to Committee members to identify priority project concepts. The top three were Manufacturing Skills Standards System for assessing and certifying workers in manufacturing foundation skills, targeted short term training and recruitment to address immediate skill gaps/training needs, and support for the technical college's Advanced Manufacturing Solutions Initiative. The Committee also heard about a potential presentation from the Aspen Institute on its "Business Value Assessment" toolkit. The committee will be meeting sometime during the summer to further discuss its funding priorities and other issues.

VI. Response to CWI Recommendations on System Improvements

Secretary Gassman discussed DWD's response to the Council's recommendations for system improvement. She briefly steps DWD has taken to date, including sending the recommendations to the Governor, State Interagency Team discussion and agreement to study and develop agency specific responses to the recommendations, and initiation of a DWD internal response process. Gassman also reviewed some of the specific actions DWD has taken to improve coordination/collaboration across the various DWD-administered Job Center programs. Among these are:

- Changes to the local WIA Plan requirements to ensure more partner collaboration and a system approach (e.g., certification of comprehensive centers, business services teams, system performance goals, collaborative service plans);
- Changes to Wagner-Peyser/Job Service efforts, among them more coordination with WIA Local Plans, operational plans (and industry liaisons) targeted to GROW WI's high growth, high wage industries, and formulas to allocate resources equitability across WDAs.
- Funding of a vocational rehabilitation pilot collaboration model in Milwaukee focusing on business services and employer outreach.
- Increasing the employment focus in W-2, including requirements to provide employment services through job centers, increased coordination through membership on local business services teams, etc.

Gassman also highlighted several activities that the Department plans to do to improve coordination/collaboration. Among these are creating regional skills alliances as part of GROW, exploring waivers to reduce cost allocation restrictions, and requesting more flexibility in WIA class size projects. Gassman also outlined efforts by the System Alignment Team to explore system change strategies, as well as several immediate opportunities to improve the system coordination. Among these are the recently awarded WIA Incentive Grant, the U.S. DOL High Growth Job Training Grant in Advanced Manufacturing, and the Joyce Foundation's Initiative (Shifting Gears) to foster innovation and coordination among workforce, welfare, economic development and adult and post-secondary education.

VII. Presentation -- Innovations in Life Long Learning: Life Long Learning Accounts

Amy Sherman, Director of Public Policy, Center on Adult and Experiential Learning (CAEL), provided an overview of her organization, the need for strong adult life long learning strategies, and Life Long Learning Accounts (LiLAs) that CAEL is piloting in several areas. She briefly explained what LiLAs are -- employer matched individual asset building accounts to finance education/learning so that workers can upgrade their skills and knowledge to achieve career goals while meeting the demands for a skilled workforce. Key characteristics include universal access; employer based; portable; contributions from individuals, employers and potential a third party (e.g., state); voluntary participation; and informed choice. Sherman also highlighted CAEL's LiLA pilot initiative -- a three site, multi-sector demonstration for 300-400 workers in Chicago, Northeast Indiana, and San Francisco -- and current federal and state LiLA policy initiatives, including a proposed Federal LiLA demonstration. Several CWI members expressed strong interest in this idea and suggested the CWI look into in more depth in the future.

VIII. New/Other Business and Adjournment

There being no further business, the meeting was adjourned at approximately 12:00 Noon.