

COUNCIL ON WORKFORCE INVESTMENT

MEETING MINUTES

September 22, 2006

Country Springs Hotel ~ Waukesha

- Members Present:** Joel Rogers (Vice Chair), Colleen Bates, Fredi Ellen Bove (for Helen Nelson), Thomas Burse, William Chaudoir, Dan Clancy, Jewel Currie, Margaret Ellibee (For Elizabeth Burmaster), Roberta Gassman, State Senator Dave Hansen, John Heyer, Tina Koehn, Debra Malewicki, Douglas Moquin, A. Kent Olson, Lee Rasch, Mark Reihl, Andrew Schuster (for John Scocos), Julia Taylor, Dean Welch, State Representative Josh Zepnick
- Members Absent:** Daniel Andrist, Lyle Balistreri, Mary Burke, Rodney Copes, Kathleen Drengler, Barbara Fleisner, Matthew Frank, Mary Lu Gerke, James Haney, Susan Hatch, James Hill, Ellen Holt, State Senator Joe Leibham, Paul Linzmeyer, Xiong Lo, Phil Neuenfeldt, Donald Rouse, Christopher Ruud, Patrick Schillinger, Georgann Stinson, Norma Tirado, David Vierhaler, Joan Wilk
- CWI Staff Present:** Sue Gleason, Sheryl Billups, Fred Bartol, Pam O'Brien, Linda Williamson, Mary Pasholk, Gloria Kirchoff
- Others Present:** James McCaslin, Al Salentine, Mike Terwilliger, Gary Maddox, and Idella Thomas (Harley Davidson Motor Company); Shannon Lippold (Johnson Controls, Inc.); Jenny Dalge (AO Smith Corp.); Larry Gonzales (Iron Workers #8); Shelly Fladen-Moore (Regional Workforce Alliance); Francisco Sanchez (WOW WDB); Joe Beukowski (U.W. Stout); Jayson Chung and Jim Mackey (WTCS); Bill Clingan, Dianne Reynolds, Linda Preysz, Kevin Cranpton, Rick Orton, Gary Denis, and Charlene Dwyer (DWD); Roger Hinkle (Milwaukee HIRE Center); Teresa Barch (WWDA); Jerry Hanoski (Western WDA); Beth Norris (SE WDA); Pat Schramm (WDB SCW); Dale Dulberger, Herbert Centreno, John Lopez, Rose Farrer and Mona Schroeder-Beers (Milwaukee Area Technical College); Paula Lampley and Lenor Rosas (UMOS); Tom Backes (Bradley Tech MPS); Mike Shiels (WCTC); Ann Franz (NWTC/BAWDB); Kevin Schenk (Pulaski High School); Lois Noble and Sandra Wehmeier (Milwaukee Academy of Science); Ken Baker (Center on Wisconsin Strategy); Al Hesse (Fox Valley WDB); Gerald F. Blaski (American Welding Society-Milwaukee)

Key Issues/Discussion

I. Call to Order and Minutes

Joel Rogers (vice-chair) called the meeting to order at approximately 9:30 a.m. A motion to approve the minutes of the June 16 meeting was seconded and passed unanimously.

II. GROW II Grants

Roberta Gassman (DWD Secretary) reported that seven GROW II grants were announced throughout the week, ranging from \$50,000 to \$110,000. DWD retained \$10,000 to provide technical assistance to regions. She reviewed the process DWD used to evaluate proposals, which included review by an interagency team and by the CWI Chair, as well as individual interviews with applicants. Gassman noted that the original funding level of

\$400,000 was increased by \$100,000 as a result of a recommendation from the CWI Workforce Strategies Committee, later endorsed by the Executive Committee, to add unused CWI Special Innovation Project funds to the GROW grants. She also reported that the CWI will receive a full report on outcomes, actions and results of the GROW I grants at its December meeting.

III. Manufacturing Skill Standards Council Assessment, Training and Certification

Following an introduction by Secretary Gassman, James McCaslin, President and COO of Harley-Davidson Motor Company and Chair of the Manufacturing Skills Standards Council (MSSC), spoke to the Council about the new system MSSC is implementing to certify the skills for manufacturing production technicians. Among the key points addressed in his remarks were the following.

- Manufacturing is a key industry and economic driver of growth, innovation, productivity, income and jobs in Wisconsin and the nation. The industry generates \$1.37 for every dollar invested (more than any other industry sector), accounts for three quarters of all R&D, is the largest exporter in the U.S., has double the productivity of other sectors, provides the highest income and wages, and continues to produce jobs. However, the industry faces a number of challenges, among them the growing costs of healthcare, energy and raw materials and a shortage of skilled workers, a situation that will get worse as baby-boomers retire.
- The skills gap is well documented and growing, with employers reporting significant difficulty in finding skilled workers, workers with inadequate employability and problem-solving skills, and workers with insufficient reading, writing and communication skills. The lack of adequately skilled production workers is particularly acute. For example, Toyota recruited for 2,000 jobs, received 100,000 resumes, but could find only 1,000 workers with the skills needed.
- The new nationwide system of training, assessment and credentials based on industry-defined, nationally validated skill standards responds to this skill gap. The system is intended to expand the pool of highly skilled, agile production workers who are able to function successfully in the advanced manufacturing environment. The goal is to reach and certify 40% of the production work force in the next 10 years. Wisconsin is implementing the system through Milwaukee Area Technical College's MSSC/WISPASS network and currently has nine MSSC certified testing centers. Only five other states are as far along as Wisconsin in rolling the system out.
- The new system holds benefits for industry, workers, state government and education. In response to questions, Mr. McCaslin noted that the MSSC standards and curriculum need to be integrated into the high schools. Schools cannot leave behind the students who are not going on to higher education; these students need to be fully prepared for the higher skills demanded by employers.
- Harley-Davidson is implementing the system and plans to give preference to MSSC certified applicants, assess incumbent workers to create a benchmark, use tuition reimbursement for MSSC courses, and investigate the "fast track" MSSC training for both contingent workers and existing workforce.

Dean Welch, co-chair of the Workforce Strategies Committee, noted that the Committee has been looking at the skill needs in the manufacturing sector and the MSSC system in particular over its last several meetings. At its last meeting it recommended that the CWI's earmarked funds for advanced manufacturing be directed to support implementation of the MSSC system in Wisconsin, specifically for workforce system capacity building.

Action: Dean Welch moved that the CWI approve the Committee recommendation and target \$100,000 to support the implementation of the MSSC and specifically to link efforts to the state workforce system. The motion was seconded and approved unanimously. Joel Rogers noted that the CWI Executive Committee had acted on the targeting of the \$100,000

at their September 1st meeting based on the recommendation of the Strategies Committee, and therefore, no specific action on this was necessary by the full CWI. However, in further discussion, CWI members present reached unanimous consensus on providing their overall endorsement for the MSSC system in general.

IV. Southeast GROW Regional Workforce Alliance, U.S. DOL WIRED Grant, and Milwaukee 7

Julia Taylor, President of the Greater Milwaukee Committee, Chair of the Regional Workforce Alliance (RWA), and CWI member, discussed current activities occurring under the umbrella of the GROW initiative in southeast Wisconsin. She noted that GROW was one of the most important investments the CWI and state can make. Among Taylor's remarks were the following.

- Southeast's efforts are organized around the "three-legged stool" of three initiatives that are coming together through GROW -- Milwaukee 7, the 21st Century Learning Initiative, and Economic Development (U.S. DOL WIRED grant).
- The Milwaukee 7 initiative recognizes that the area can only create high wage jobs within the context of a regional economy. While not yet formal, it is focusing on companies that export (a growing segment) and aligning resources across the seven county area. It has generated \$2.5 million in new dollars from regional employers.
- The 21st Century Initiative is led by CESA #1 and represents a "comprehensive effort ... to re-energize and refocus education around the needs and challenges of life and work in the 21st century." It is focusing on learning programs, professional development, technology infrastructure and resource and capacity building.
- Workforce Innovation in Regional Economic Development (WIRED) is funded by U.S. DOL. The goal is to expand employment and advancement opportunities for workers and catalyze the creation of high-skill and high-wage opportunities in the context of regional economies. It represents the U.S. DOL's efforts to encourage a major transformation of the workforce system. The Southeastern area is a "virtual" WIRED region, receiving \$100,000 over three years to actively participate in the learning occurring through the fully funded WIRED grantees.
- The Milwaukee PIC is involved through its STEM 2010 initiative, a project to prepare youth for careers in science, technology, engineering and math.
- GROW is providing the umbrella that is helping to bring these and other initiatives together. It is supporting a structured, regional workforce alliance and other activities to align separate strategic plans into a regional strategic plan, coordinate funding/resources, and jointly plan/implement a range of other activities to cooperatively address comprehensive workforce solutions.
- In response to discussion and questions, Taylor noted that the RWA is partnering with WMEP and others to help with inner city manufacturing business expansion and jobs, that the role of workforce development boards is evolving as the regional model evolves, and that relationship building remains the biggest challenge.

(For a complete summary of remarks by McCaslin and Taylor, see their power point presentation on the CWI website, http://www.wi-cwi.org/meetings_committees.htm)

V. Committee Reports

A. Workforce Strategies Committee

Dean Welch reported on Committee actions since the last CWI meeting, including its recommendations for using CWI statewide Activity funds to support MSSC implementation and to supplement the GROW grants. He also noted that the Committee has been briefed on several other state level initiatives and will be working on its priorities for the coming year during its upcoming meetings.

B. Workforce Systems Development Committee

Tina Koehn reported that DWD's Bill Clingan had updated the Committee on activities related to its Milwaukee initiatives adopted by the CWI earlier in the year. The Committee is now engaged in addressing its next priorities: capitalizing on partnership development, "front door" participant access to workforce services, and employer engagement.

C. Executive Committee

At the request of Joel Rogers, Mark Reihl provided an update on activities of the Dislocated Worker Subcommittee. Among report highlights were the following:

- The subcommittee met on August 16th to consider requests for Special Response funding for the remainder of the calendar year; \$480,000 in Special Response Grant funding was recommended for projects in five Workforce Development Areas.
- Significant layoff activities continue to occur across the state, particularly in the paper and automotive-related industries.
- Performance for the year that ended June 30, 2006 indicates that enrollment for Special Response Grants was 2331 and 52% of all enrollments exited programs; nearly half received training and 85% were employed when they left the program.
- The CWI-funded study on dislocated workers from Advance Transformer by Southwest Technical College will be completed soon; a report of project outcomes is tentatively planned for the next CWI meeting.

Rogers provided a brief report on the September 1, 2006 Executive Committee, noting that the Committee:

- Recommended the state's Workforce Information Grant, the annual agreement between the state and the U.S. Department of Labor. Wisconsin has \$637,592 for programs that run through June 30, 2007. While continuing required core products and several other ongoing activities, the state will be publishing a new annual economic analysis report for the Governor and the CWI.
- Adopted recommendations from the Workforce Strategies Committee on use of CWI funds for advanced manufacturing and for unused Special Innovations project funds (noted above).
- Discussed GROW II grants, WIA waivers, the Joyce Foundation "Shifting Gears" grant application, and CWI organizational issues; more discussion about these issues expected in the future.

VI. Liaison Report

Sue Gleason provided a brief update on the regional metrics initiative and reviewed the preliminary metrics report prepared by DWD Office of Economic Advisors. In response to questions about whether the data will be rolled up to the state level, she noted that the focus is on regional level data. This can offer a useful planning tool, enabling regions an opportunity to benchmark their economic situation against other similar regions across the country, identify strengths and improvement opportunities that can help target resources. Gleason also indicated that staff and Executive Committee members are looking for feedback on the structure and scheduling of the CWI meetings and will be following up with members after today's meeting.

There being no further business, the meeting was adjourned.