



Inez Wildwood, chair, and Bryan Lindsley, executive director, Governor's Workforce Development Council

An Interview with The Civic Caucus

8301 Creekside Circle #920, Bloomington, MN 55437

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Notes of the Discussion

Present : Verne Johnson (chair), Audrey Clay, Paul Gilje (coordinator), Sallie Kemper, Tim McDonald, David Broden, Janis Clay

Summary of discussion - Inez Wildwood, chair, and **Bryan Lindsley**, executive director, Governor's Workforce Development Council, discuss the challenges facing Minnesota by a looming workforce shortage and skills gap. They discuss the long-range competitive implications and introduce a report with fifteen recommendations to strengthen workforce skills and reduce the skills gap.

A. Introduction of interviewees

Inez Wildwood is chair of the Governor's Workforce Development Council. Wildwood, a resident of Duluth, is the manager of talent acquisition and development for Minnesota Power/ALLETE and has more than 30 years of human resources and counseling services experience. She has both an undergraduate and graduate degree from the University of Wisconsin.

Bryan Lindsley is executive director of the Governor's Workforce Development Council. He has developed policy recommendations in K-12 and higher education, workforce development, disability employment, and other related areas. He directs several grants related to workforce training. He holds a masters degree in public policy from the University of Minnesota Humphrey School of Public Affairs.

B. Discussion -

The Governor's Workforce Development Council (GWDC) is a 32-member board, with a broad-based membership. Twenty-eight members are appointed to three-year revolving terms by the Governor and four state legislators are appointed by their respective party heads.

The GWDC conducts research, develops workforce policy and advises the Governor and Legislature. The full council meets quarterly while various sub-committees addressing particular issues meet more frequently.

"Our job is to promote innovation in the development of the workforce," Wildwood said, in order to serve workers of all ages at every stage of their working lives.

The Council is keen to insure that employers are playing an active role in its deliberations and that their voices are included in determining what policies are needed.

"We are bi-partisan with representation from business, government, community-based organizations, education, labor and members of the state House and Senate. While it is a diverse group, the Council works hard to reach consensus on the recommendations it puts forward," Lindsley said.

THE PROBLEM: A mismatch of job skill requirements and workforce preparation .

To be competitive, employers need workers with the right skills, Lindsley said, adding that while that concept sounds simple it can become a very complex problem for employers to solve.

He used a diagram to illustrate the point. One circle might represent workers with their existing set of skills; another circle represents the job skills employers seek. In an ideal world there would be perfect overlap, but in reality they are not nearly as well aligned as they should be.

In fact, this skills gap is widening, he said. Today, 71 percent of workers nationally are in low-demand jobs or jobs for which there is an oversupply of labor according to McKinsey Global Institute. Many do not have the advanced skills needed for jobs of the future. By 2018, 70 percent of Minnesota jobs are projected to require some form of post-secondary education, while now only 40 percent of workers have an associate degree or bachelor's degree. Further, he noted, the baby boomer generation, one of the more highly educated groups, is retiring.

"These trends have resulted in two-thirds of employers saying they are having difficulty finding people with the skills they need," the guests said, citing a McKinsey Global Institute report. Not only do new entrants in the job market need higher skills, they pointed out. Incumbent workers, those now employed, must improve their skills through continuing education to keep up with the increasing skill requirements occurring in the workplace.

THE GOAL: Align job skills with the opportunities for work.

Based on comments by Narayana Kocherlakota, President of the Minneapolis Federal Reserve Bank, nearly 4 million people could go back to work today if they had the right training. In Minnesota, that could translate to a decrease of approximately 2 percent in Minnesota's unemployment rate.

THE STRATEGY: Enact "All Hands on Deck" policy recommendations.

The guests presented a report from the Council called "All Hands on Deck" that contains 15 policy proposals.

A copy of the report may be found on the Governor's website: <http://tinyurl.com/btgnwhq> .

Of the 15 proposals, Wildwood and Lindsley highlighted three:

- 1: Set a statewide goal for achieving adult credential attainment.
- 2: Expand the state's FastTRAC Initiative, a program that helps low wage workers upgrade their skills and attain post-secondary credentials.
- 3: Reduce the cost barriers to gaining post-secondary credentials.

Credentials clearly play a key role in making sure people have the required education. Council staff members have been working with the Governor's office on pursuing policy initiatives on the second and third recommendations. They are talking with legislators and agencies about needing to measure educational progress and fund outcomes, such as degree and credential completion.

On the second proposal, expanding the FastTRAC initiative, Lindsley said the Council now has the Governor's support to extend from a pilot program to a statewide effort. Now on twenty MNSCU campuses, FastTRAC pairs assistance with remedial math, reading and writing skills with instruction in post-secondary occupational skill training. According to the National Center for Education Statistics, of individuals who need to take nine or more credit hours in post-secondary remedial courses, only about 25 percent complete all of their remedial courses and only about four percent complete a degree or certificate within five years of enrollment. To date, **88 percent of participants** in FastTRAC credit-bearing integrated Adult Basic Education/postsecondary courses **have successfully completed the integrated course**.

Generally higher levels of education are now needed to be successful in the workplace, Wildwood added. Twenty years ago a person needed to be able to show up on time and work hard; much of the work was labor-intensive and even physically demanding, requiring 95% brawn and 5% brain. Now the jobs have flipped those proportions for the most part.

The fifteen recommendations from the report in total call for:

1. Expanding the Minnesota FastTRAC Initiative
2. Setting goals and developing plans for increasing adult credential attainment
3. Integrating state data systems to better understand and serve working learners
4. Reducing cost barriers to credential attainment
5. Ensuring that Minnesota's workforce development system has the capacity to handle the state's looming demographic and economic shifts
6. Developing a state plan to extend the work life of aging workers
7. Establishing Lifelong Learning Accounts to help aging workers finance continuous learning opportunities
8. Supporting entrepreneurship and small business development among aging workers
9. Establishing the State of Minnesota as a model employer of people with disabilities
10. Ensuring that Minnesota's WorkForce Centers and the services they provide are accessible and usable by people with disabilities
11. Helping students navigate the challenges and opportunities they encounter on their way to career and post-secondary success
12. Increasing opportunities for students to pursue post-secondary credit while in high school

13. Strengthening assessments and supports to identify off-track students and bring them back on track
14. Further aligning state academic standards and teacher preparation with real-world learning
15. Encouraging schools and districts to take innovative, comprehensive approaches to preparing students

The Skills@Work initiative

The speakers noted that Minnesota was once called the Brainpower State. "We know we need that kind of achievement more than ever if the state is going to compete economically," Wildwood said. To focus attention on a skills goal they are joining forces with Greater Twin Cities United Way to kick off an initiative called Skills@Work. "The end goal is to close Minnesota's skills gap. Initially that requires that we make sure everyone in Minnesota is engaged in understanding what the problem is and working on how best to address it. Ultimately we want to get to a point where we identify best practices and replicate those practices statewide."

C. Conclusion

Report can serve as a vision for workforce development

When asked about which states have done a good job at setting a vision for workforce development, the guests said that in Maryland the governor set goals, and effectively brought all people involved in the systems around one table to address the issue.

"Our state is already a leader on workforce development policy. Many states have taken our *All Hands on Deck* and used it as a reference, a guide for their own efforts in this area," Wildwood said.

There is much at stake. Minnesota now has the highest number of Fortune 500 companies per capita, Lindsley added. The states with the most highly educated workforces will likely be the most successful economically. To retain our preeminence, much must be done to assure that our workforce continues to meet the needs of our employers.

The chair thanked the guests for meeting with the Caucus on this important topic.