

Texas Workforce Commission

Achieving Performance Excellence

APEX: a Statewide Plan for Workforce Skills Enhancement in Texas

October 2000

Texas
Workforce

Texas Workforce Commission

Member of the Texas Workforce Network

October 11, 2000

Mr. Joe Juarez
U.S. Department of Labor
Employment and Training Administration
525 Griffin Street, Room 317
Dallas, TX 75202
ATTN: Monique McMahon

REF: Agreement # N-7309-9-00-87-60

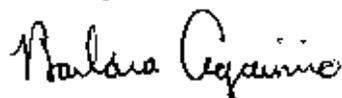
Dear Mr. Juarez:

Texas received a grant under the authority of the Job Training Partnership Act, Title III, Demonstration Program related to State Incumbent Worker System Building (Agreement # N-7309-9-00-87-60). As a result of this project, Texas developed a state plan for current (incumbent) worker training initiatives, entitled Achieving Performance Excellence (APEX).

This Plan reflects Texas' goal to implement effective, locally administered current worker training programs to meet the skill needs of Texas' employers and the training needs of current workers. It describes the activities that were accomplished under the grant and sets a course for further action.

The submission of the APEX Plan completes the deliverables as outlined in our planning grant. If you have any questions or are in need of additional information, please contact Cindy Geisman at (512) 463-2692 or cindy.geisman@twc.state.tx.us.

Sincerely,



Barbara Cigaincro
Director of Workforce Development

Enclosure

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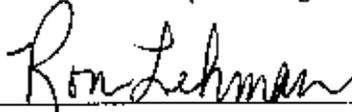
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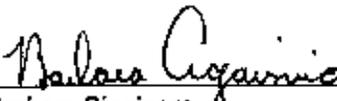
ACHIEVING PERFORMANCE EXCELLENCE

APEX: A STATEWIDE PLAN FOR WORKFORCE SKILLS ENHANCEMENT IN TEXAS

| Commissioners | Dates of Term | Hometown |
|---|---------------------------------|--------------------|
|  Diane D. Rath, Chair Commissioner Representing the Public | September 1996 to February 2001 | San Antonio, Texas |
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Submitted to the U.S. Department of Labor Employment and Training Administration
State Incumbent Worker Training System Building Grant
October 9, 2000

Texas Workforce Commission
101 E. 15th Street
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ACHIEVING PERFORMANCE EXCELLENCE

APEX: A STATEWIDE PLAN FOR WORKFORCE SKILLS ENHANCEMENT IN TEXAS

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ENHANCING WORKFORCE SKILLS IN TEXAS

Background

The year 2000 kicked off with the national economy racing toward record highs. In Texas, 2.3 million jobs were created in the last decade. One of four states that currently have a growing pool of workers, the Texas civilian labor force increased by more than 250,000 during the past year to an all-time high of 10,404,447 workers. Unemployment rates and the welfare rolls are shrinking. Texas' unemployment rate is hovering at just over 4 percent. Workforce participation rates are climbing as workers stay in the workforce longer, even though the rate at which youths enter the workforce is declining. These changes in workforce trends mean that the majority of workers who will hold down paying jobs in the immediate future are already in today's workforce.

Heightened market pressures and widespread "technologizing" of the workplace are intensifying the effects of these workforce changes. More and more occupations are demanding higher skill levels. Demands for skill mixes are changing. Almost every job now entails some contact with a computer. Low-skilled occupations that many working Texans have relied upon to provide a subsistence income are dropping off the bottom of the wage scale. Many of these jobs are moving overseas as employers respond to low-skill labor markets in developing countries. In Texas, with the advent of the North American Free Trade Agreement (NAFTA), tens of thousands of jobs have relocated across the border. "Retooling" our workforce through continual worker training and retraining becomes increasingly critical to honing our global competitive edge. Expanding the future stock of human capital now depends strategically on lifelong learning and skills upgrading for workers currently in the workforce.

On April 8, 1999, the Department of Labor awarded a \$50,000 planning grant to the Texas Workforce Commission (TWC) under the Employment and Training Administration's JTPA, Title II, State Incumbent Worker System Building Demonstration Grant. At TWC, we have used the Internet, business surveys, focus groups, and steering committees of stakeholders to gather background information on this issue. We have looked at the need in Texas for additional resources for enhancing the skills of working Texans and at possible roles for the state in developing and leveraging skills enhancement resources.

In the context of today's strong economy, it makes good sense to step back and assess the broader trends affecting the job market of today and the future. With these trends in mind, the state can put into place workforce policies that will help sustain the current economic expansion. Texas' *Strategic Economic Development Plan 1998-2008* identifies building workforce capacity through education and training as the state's single most important economic development priority.¹ What can be done to improve the availability and utilization of work skills enhancement resources for educating and training workers, especially among small- to mid-sized firms? Our background research suggests two key courses of action appropriate at the state level: Provide statewide leadership for bringing work skills enhancement stakeholders together into viable partnerships and strengthen local communities' capacity to be full partners in those ventures.

¹ Texas Strategic Economic Development Planning Commission.

Stakeholders

EMPLOYERS

Employers are major stakeholders and the most important partners in any effort to enhance work skills in the current labor force. In terms of both numbers trained and resources expended for training, the private sector is the nation's largest workforce trainer. By providing their employees with opportunities to enhance work skills, employers are able to keep pace with technological change, increase productivity, and improve worker performance.

Our background research shows that large companies and organizations are very aware of worker training issues and possible effects on their competitiveness, productivity, and future profits. They allocate significant resources to a variety of initiatives to locate and train workers, ranging from in-house universities for current employees to school-to-careers relationships with primary and secondary schools for recruiting future workers. Yet, large firms can still have difficulty maintaining necessary worker skill levels in an environment of rapidly changing workplaces and worker characteristics.

Smaller firms have even more difficulty. Small- to mid-size companies are typically too busy just "doing business" to think about upgrading the skills of their current workers or to consider actions that would nurture a better qualified future workforce. Nor can they spare resources for the more elaborate workforce skills solutions that large businesses have undertaken. Time, staff, and money are scarce. Those are the very resources needed to adequately measure workers' skill levels, identify skill gaps, define specific training needs, locate qualified trainers, develop curricula, develop implementation plans, and identify assistance that may be available through community, state, or federal resources.

For smaller firms, the best solutions often come from industry and trade associations that offer industry- or trade-specific training opportunities. This helps smaller firms make the most of limited training budgets and staff. The skills enhancement opportunities available through these associations, however, are often specialized "continuing education" credits for workers who already have certifications or other credentials. Research shows that the higher a worker's education level, the more likely they are to participate in training. Using the most current data available, the National Center for Education Statistics (NCES) estimates that sixty-one percent of workers with a college degree have participated in training on their current job, compared with only 29 percent of workers with a high school degree or less and 46 percent of workers with some college. Training also appears to be more common among workers in highly skilled occupations, including managerial, professional, and technical workers. Workers in these occupations had training rates of more than 50 percent. In contrast, no other occupation had a training rate of more than 40 percent².

Maintaining the skill levels of highly skilled workers is important. However, employers consistently express a need for basic skills training, work-readiness training, and entry-level skills training and certification. This is especially true among smaller firms. Opportunities for enhancing basic skills are particularly critical for recent entrants and re-entrants to the workforce. Industry and trade associations rarely offer such basic skills upgrading.

² NCES.

WORKING TEXANS

Work skills issues are just as important to workers as to employers. Over the past quarter century, the nation has seen a dramatic shift in the pattern of demand for workers with different levels of skill. Workplace changes such as technological innovations, personal computers, and new styles of business organization have favored the workers who have higher skills and reduced the value of unskilled labor. Virtually all forecasts of future job qualifications suggest a continuing trend toward higher skill requirements, even for entry-level jobs.³

NCES has estimated that 41 percent of the U.S. workforce receive skills improvement training on their current job. Within broad categories of educational attainment, median earnings are higher among workers who participate in training to improve their skills while at their current job.⁴ For recent workforce entrants and re-entrants, access to skills enhancement resources is crucial for moving beyond entry level positions and wages. For example, the "work first" philosophy of national welfare reform has resulted in Texas moving tens of thousands of persons from welfare to work. Continued training is critical for these recent entrants to the workforce.

Workers already have jobs, so they have specific skills enhancement resource and access needs. Most are ready and willing to improve their skill levels, especially if opportunities are relevant to their current job and are available during working hours. If opportunities are available only after working hours, workers often have child care or transportation limitations. Workers also need some assurance that their time and efforts will be economically rewarding. For recent workforce entrants and re-entrants and for current low-skill workers, the best reward is an increased prospect for gaining or maintaining wages beyond basic subsistence levels.

Career progression paths are also important to workers. The Institute of Industrial Relations at the University of California at Berkeley recently recommended that employers create adequate training incentives through effective career development for employees⁵. Helping them plan a job progression that forms a career path where skills are developed and deepened over a series of jobs can do this.

COMMUNITIES

Building strong communities requires work by all sectors—businesses, labor groups, education and training providers, governments, local residents, and community- and faith-based organizations—in an atmosphere of trust, cooperation, and respect. Robust businesses and low unemployment and underemployment are essential to healthy communities. Businesses provide jobs for community residents, donate time and money to community development, and pay local taxes that maintain public services and facilities. Fully employed residents contribute to the tax base as well as contribute time and money to community services. In short, comprehensive community building must include initiatives to enhance the work skills of community residents.

Building communities goes hand in hand with building human capital—strengthening the abilities of individuals and families to overcome adversity and to create and take advantage of opportunities.

³ See Bibliography and Appendices.

⁴ NCES.

⁵ Brown and Reich.

This is essential to maintaining strong families in an environment of hope and mutual support, getting children on the right path from the start—and keeping them there. Public schools need relationships with employers to ensure that youths have good role models available, to give input to school curricula, and to help support school districts through donations of time and equipment and by stabilizing school tax bases. Community colleges, technical colleges, state-supported universities, and private career schools similarly benefit from good relationships with local businesses.

Until recently, it was primarily through local schools, colleges, and universities that Texas communities participated in initiatives aimed at enhancing the skills of working Texans. Under the leadership of the Governor and the Texas Legislature, new workforce statutes were enacted in 1995, creating 28 Local Workforce Development Boards (local boards) that now direct communities' workforce activities. While local boards now have the opportunity to participate in local skills enhancement initiatives, local capacity to do so is still in the development stages and varies widely between differing regions. Training dollars currently available to local boards are targeted primarily to economically disadvantaged individuals or workers recently dislocated from their jobs. Our background research shows that many local boards need to build the capacity and preparedness to offer higher levels of skills enhancement services in their communities.

The key to local success in meeting the day-to-day challenges of workforce development lies in understanding the local labor market and the needs of employers and workers. As Texas' State Occupational Information Coordinating Committee (SOICC) points out, labor market "intelligence" gathering starts with area labor market statistics and information.⁶ These data provide the foundation that local insight and investigation build upon, creating an open structure that accommodates community partners cooperatively working to accomplish mutual workforce goals.

Course of Action

THE PROBLEM

Texas workplaces, similar to workplaces all over the nation, are undergoing profound changes that require workers to upgrade existing skills and acquire new skills to stay competitive in the global economy. Texas' economic diversity and decentralized workforce development structure differ from those in the surrounding region and similarly situated states. Multiple regional economies with varying skills enhancement needs in these local areas present a challenge not encountered in most states.

Texas must develop a plan to enable effective, locally administered initiatives that meet the need of businesses and working Texans for a single, widely recognized local source of information and expertise about skills enhancement resources—what's available, how to get access, and how to make it work.

THE APPROACH

Texas employers and working Texans must have access to skills training and retraining resources to meet the challenges presented by rapid technological change in the workplace, change in the global

⁶ Froeschle (ed.).

economy, and change in workforce participation trends. TWC seeks to provide ready access to those resources through the Texas Workforce Network.

TWC, the state's primary agency responsible for workforce services in Texas, is in an ideal position to coordinate a state plan to improve access to skills enhancement resources. Through the Texas Workforce Network—comprised of TWC, its statewide partners, and the local boards and their community partners—we are able to initiate activities on a statewide basis that have a positive impact on the skill levels of working Texans.

The Texas Workforce Network must strive to be a preeminent source for employers and working Texans seeking skills enhancement information, training resources, and expertise. The DOL/ETA State Incumbent Worker System Building Demonstration Grant has allowed the Agency to develop a statewide plan to ensure that Texas employers and working Texans have ready access to the resources they need for enhancing work skills. To accomplish this, the Texas Workforce Commission has set aside \$5.5 million of Texas' WIA statewide activity funds from program years 1999 and 2000 to assist local boards in creating work skills enhancement initiatives.

The following pages provide an overview of the state's structure for delivering skills enhancement services and assessments of identified needs for services and trends in the Texas workforce and its environment. We then outline a statewide plan to advance state and local leadership, strengthen local capacity, encourage innovative partnerships, and afford local control for implementing successful skills enhancement projects for the benefit of Texas employers, workers, and communities.

ASSESSMENT OF STATE STRUCTURE, NEEDS, AND TRENDS

The Texas Workforce Network

THE TEXAS WORKFORCE COMMISSION

In 1995, looking toward the future needs of the state's workforce, the Texas Legislature envisioned a process wherein the state's 28 separate workforce programs at ten different agencies could be combined into seamless customer assistance for easy access to workforce services. House Bill 1863 (H.B. 1863), enacted by the 74th Texas Legislature and signed by Governor George W. Bush, combined these existing workforce programs to create a new agency: The Texas Workforce Commission (TWC).

TWC is now the primary state agency responsible for workforce services in Texas. Three full-time commissioners oversee the functioning of the agency and develop policy. The Governor appoints the commissioners, one each representing employers, labor, and the public. The Commission holds open public meetings to adopt policies and rules for the services that TWC oversees and delivers. An executive director has the charge of day-to-day administration and operations.

Acknowledging that different areas of the state have different workforce training and placement needs, our enabling statute allows the designation of multiple local workforce development areas (workforce areas) to represent unique, economically integrated labor markets. Local Workforce Development Boards (local boards), consisting of representatives primarily from business and industry but also from providers of education or training and labor organizations, administer service delivery in each workforce area. State statute directs that certain state-administered resources for training and workforce services be allotted by TWC to local boards. Thus, communities have the means to implement localized plans for service delivery. One of TWC's primary functions is to support the local boards, providing technical assistance for and statutory oversight of local activities.

On July 1, 1999, the U.S. Secretary of Labor authorized Texas to begin implementing the Workforce Investment Act (WIA) of 1998. WIA replaces the former federal Job Training Partnership Act (JTPA), establishing a new workforce development approach for the nation. This new nationwide workforce structure reflects many of the features already established by the Texas Legislature under H.B. 1863. Texas was one of only two states to opt for full, early implementation of WIA, which TWC administers for Texas. TWC administers a number of other federal and state workforce-related programs and funding streams.

Texas' Skills Development Fund, funded by the state and administered by TWC, is valuable for worker training. Employers who need to fill jobs that require special expertise can apply for grants to custom train workers. An employer or a consortium of employers and a local community or technical college form a partnership to develop the training. A Skills Development Fund grant pays for the costs. In return, employers agree to hire the trainees when they satisfactorily complete the training course. Workers trained through the Skills Development Fund subsequently earned an average of \$10.50 an hour in 1999. Current state appropriations to the Skills Development Fund stand at \$25 million dollars for the state's 2000-2001 fiscal biennium. As of June 2000, 42 Skills Development grant contracts were signed, totaling \$22.6 million, to provide training for more than 28,000 workers at 27 businesses.

Texas' Smart Jobs Fund awards grants to Texas employers for customized training to promote the creation of new jobs and increase the wages of existing employees receiving training. A portion of the state's unemployment insurance tax is earmarked for this job-training program. Funding for Smart Jobs grants has grown from \$7.7 million in fiscal year 1995 to \$58 million in fiscal year 1999. The Smart Jobs Fund provided training for 20,325 workers in 1998, the last year for which complete information is available. The Smart Jobs Fund is currently administered by the Texas Department of Economic Development. Originally established as an economic development incentive for business location and relocation, at least 60% of the fund has been utilized for existing Texas business for training current workers.

The Texas Workforce Network is comprised of TWC, its statewide partners, and the 28 local boards and their community partners. This unique state-local partnership approach to service delivery allows for local control over area workforce development. The Texas Workforce Commission bases statewide policies on the workforce development needs identified by employers, workers, students, and other customers seeking workers, work, or job training services. Local boards plan for delivery of services in their workforce area and oversee the implementation of employer services, employment and training services, welfare-to-work activities, and child care services. For TWC and its workforce partners, the past year has been one of record setting. Business filled more vacancies with qualified workers, more people found work that led to a fulfilling career, more children received care, and more services were available to a wider variety of audiences through traditional and high technology sources.

LOCAL WORKFORCE DEVELOPMENT BOARDS

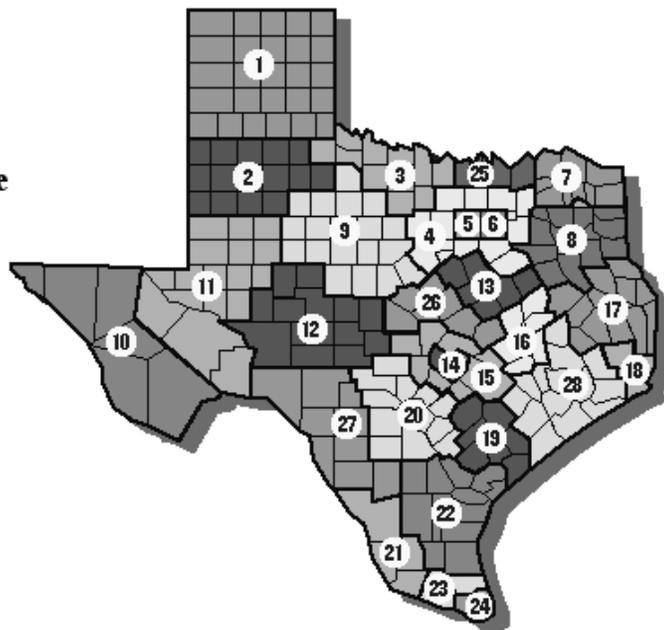
In late 1999, local boards serving all 28 of Texas' local workforce areas became fully established and operational (see Figure 1, below). Although workforce areas may include several counties or only a single county, local boards serve each of 254 Texas counties. Each area benefits from the local board members' commitment to economic development, workforce training, and reduced welfare dependency by offering locally focused services that are specific to that area. The local boards oversee the delivery of workforce services in each local workforce area.

Local boards create local workforce centers (local centers) and contract with private and public organizations to deliver services in communities. Local centers provide customers with a full array of employment and training services at a single location. There are currently 128 local centers across the state. Following guidelines established by TWC, 69 local centers have completed an in-depth process of self-assessment, training, and external review to be certified by the state as a "full-service" center. Texas' full-service standards, which surpass national "one-stop" standards, are quality oriented—chosen to create a process of continuous improvement in providing the highest possible quality of service to customers. At least one full-service local center is operational in each workforce area. As mandated by state statute, each local board is formed and operates with special attention to the workforce area's unique characteristics and economy.⁷ For more information on local boards and their activities, see the *1999 Texas Workforce Commission Annual Report* (Appendix E).

⁷ H.B. 1863, 75th Texas Legislature; S.B. 642, 73rd Texas Legislature.

Figure 1: Texas Local Workforce Development Boards Serving Texas' Workforce Development Areas

1. Panhandle
2. South Plains
3. North Texas
4. North Central
5. Tarrant County
6. Dallas
7. North East
8. East Texas
9. West Central
10. Upper Rio Grande
11. Permian Basin
12. Concho Valley
13. Heart of Texas
14. Capital Area
15. Rural Capital
16. Brazos Valley
17. Deep East Texas
18. South East Texas
19. Golden Crescent
20. Alamo
21. South Texas
22. Coastal Bend
23. Lower Rio Grande Valley
24. Cameron County
25. Texoma
26. Central Texas
27. Middle Rio Grande
28. Gulf Coast



Employer, Worker, and Community Needs in Texas

INITIAL ASSESSMENT BY STRATEGIC TEXAS WORKFORCE NETWORK PARTNERS

TWC has been working with a number of partners to collect information and perform background research on training and education needs for current workers in Texas. Those partners have become our "Steering Committee" for work skills enhancement planning. The Committee consists of representatives from the public and private sectors including businesses, labor groups, nonprofit organizations, state agencies, and others (a complete listing of Steering Committee members is included in Appendix A). During the Committee's first meeting on June 22, 1999, members shared thoughts on the issue of workforce training and on the essential elements of a statewide plan for workforce skills enhancement.

Table 1: Highlights from Steering Committee Comments at First Meeting

- ◆ *User-friendly-not bureaucratic-procedures are necessary for both businesses and workers to access government programs and funding.*
- ◆ *Training programs cannot disrupt business. Time management issues for employers, especially small employers, are important.*
- ◆ *Use language that businesses can relate to and understand. Get rid of jargon. Employers will come if they understand.*
- ◆ *Create timelines that make sense and are quick and responsive.*
- ◆ *Help employers develop career paths for their entry-level workers.*
- ◆ *Emphasize Return on Investment for both employer and worker.*
- ◆ *Shouldn't be just an economic development tool. Must benefit entire community.*
- ◆ *Basic skills training is very important – teamwork, interpersonal skills.*

The initial comments made by Committee members provided a basis for organizing a consensus building session hosted by TWC strategic partner IBM at its Austin Learning Center Team Focus computer supported collaboration facility. Using networked communications and collaboration software provided at the facility, Steering Committee members met to look at issues essential to strategic planning for statewide work skills enhancement. After hearing a presentation on the current state of the Texas workforce, Committee members were asked: "In your opinion, what's working well?" and "What's not working well?" The Committee's responses to these questions (see Appendix A) gave valuable insight to the general perception of the state's workforce network and its effectiveness. All Committee members worked together then to prioritize the group's observations about skills enhancement problems faced by employers and employees. The group also prioritized its ideas about critical planning elements such as strategic vision and mission. Top priorities from several Team Focus sessions are listed below (complete comments and response information are included in Appendix A).

Table 2: Top 5 Skills Enhancement Problems Faced by Employers

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|---|
| <p><i>Top 5 Skills Enhancement Problems Faced by Employers</i></p> <ul style="list-style-type: none">◆ <i>Quality of education delivery at all levels of the education system.</i>◆ <i>Costs associated with training</i>◆ <i>Productivity down-time while training</i>◆ <i>Return on investment</i>◆ <i>Finding training resources such as qualified trainers</i> |
|---|

Table 3: Top 5 Skills Enhancement Problems Faced by Working Texans

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| <p><i>Top 5 Skills Enhancement Problems Faced by Employees</i></p> <ul style="list-style-type: none">◆ <i>Low level of supportiveness for worker's training efforts (on both work and home fronts)</i>◆ <i>Traditional delivery modes are incompatible with today's time demands</i>◆ <i>Lack of training information or availability</i>◆ <i>Lack of knowledge about skill sets/skills standards/appropriate training</i>◆ <i>Lack of adequate and accessible training resources</i> |
|--|

The Steering Committee's insight to work skills enhancement issues provided the framework for the next step in strategic planning for statewide workforce skills enhancement: structuring an initial assessment of employer, worker, and community needs. Together with that initial assessment, which is summarized in the next section, the Committee's consensus building work became the foundation upon which the statewide vision, mission, goals, and objectives for work skills enhancement were designed.

ASSESSMENTS OF NEED CONDUCTED DURING GRANT PERIOD

To understand the extent of stakeholder needs and the important issues to be addressed during planning, the Agency conducted a number of focus group sessions and surveys. Complete response information is found in Appendix B; highlights of the studies are given below.

HIGHLIGHTS OF TWC STUDIES

Focus Groups

In July 1999, the Agency contracted with Texas Engineering Extension Service (TEEX) of the Texas A&M University System (TAMUS) to conduct a series of seven focus group sessions. Group sessions were conducted around the state (see Table 4, below). Local boards in the targeted areas helped recruit individuals to participate in the focus group sessions. Participating employers were typically members of the Chamber of Commerce or private sector members of local boards. Participating workers included employed and unemployed individuals and representatives of labor organizations. Participating workforce development professionals included representatives of the Texas Workforce Network and local public and private training providers.

Table 4: Location of Focus Group Sessions

| <i>Geographic Area</i> | <i>Actual Location of Session</i> |
|------------------------|-------------------------------------|
| URBAN | Arlington Houston San Antonio |
| RURAL | Abilene Lufkin |
| BORDER | El Paso Laredo |

The focus group sessions yielded a baseline assessment outlining how TWC can structure a statewide skills enhancement initiative that fits the needs of employers, working Texans, and communities. The following tables provide highlights (complete report is included in Appendix B).

Table 5: Top Issues Statewide Identified by Focus Groups

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|---|
| <p style="margin: 0;"><i>Top Issues Statewide</i></p> <ul style="list-style-type: none"> ◆ <i>Allocate resources to regions/areas according to the region's training needs (i.e., unemployment ratio, poverty, etc.) not just by population.</i> ◆ <i>Be results driven with measurable objectives such as cost effectiveness, job growth, increased earnings, and return on investment.</i> ◆ <i>Determine locally the occupations with the greatest shortage of skilled workers; assess the methods to efficiently train and retrain those workers.</i> ◆ <i>Make it easy to implement/locate training for workers.</i> ◆ <i>Target special occupations including lower-skill and lower-wage workers.</i> |
|---|

Table 6: Top Issues Identified by Employers and Workers in Focus Groups

Employer Top Issues: *Employers considered quality of training, information, and access as the most important issues.*

- ◆ *Help find qualified trainers for specific skills.*
- ◆ *Develop streamlined, efficient, cost-effective training services that are realistic, business friendly, and that take into account regional differences and requirements for accessing training.*
- ◆ *Help management deal with the problems and issues inherent in a low unemployment/high employment economy.*
- ◆ *Training that helps employers and workers deal with substance abuse and behavioral issues.*

Worker Top Issues: *Workers considered goals of the project and access issues as the most important issues.*

- ◆ *Identify other resources, in addition to dollars, that are necessary to make the training a success.*
- ◆ *Determine if the company is willing to train all workers no matter which position they have within the company and regardless of gender or race.*
- ◆ *Allow workers with specialized skills to cross-train to learn other skills that are not in their area of specialization but will help them to accomplish the goals of the company.*
- ◆ *Focus on training that will result in a financially and economically stable situation for the area, company, person, and their family.*
- ◆ *Target training that helps workers with self-esteem, changing learned behaviors, attitudes, and their ability to communicate.*

Table 7: Top Issues Identified by Workforce Professionals in Focus Groups

Workforce Professional Top Issues: *Workforce Professionals considered access, local control, and quality of training as most important issues.*

- ◆ *Focus on achieving results and ensuring that they are the right results.*
- ◆ *Give local areas and employers the flexibility to determine their needs.*
- ◆ *Develop plans that address economic development, workforce development, and incumbent worker training, and that involve all of the stakeholders in plan development.*

- ◆ *Ensure mutual commitment and mutual benefit for the state, the employer, the employee, and the training provider.*
- ◆ *Bring workers into the loop and ensure that the workers recognize the value of the training for themselves and the company.*
- ◆ *Provide information about trends in the employer base, skills levels, education levels, employee turnover and dropout rates.*
- ◆ *Emphasize training for jobs that pay a living wage, show indications of growth, will provide future employment, have benefits, and have career pathways.*
- ◆ *Emphasize worker retention.*
- ◆ *Emphasize that all workers need a basic level of reading, math, and computer skills.*
- ◆ *Fund soft skills training such as communication, leadership, conflict management, etc.*
- ◆ *Ensure that employers and workers both understand the importance of lifelong learning.*
- ◆ *Encourage training providers to invest money in the system.*
- ◆ *Ensure adequate professional development for those involved in administering skills enhancement services at the local level.*

Employer Survey

During summer and fall 1999, TWC conducted surveys of employers attending Texas Business Conferences. These Conferences are regularly scheduled events held in differing areas around the state to inform businesses about state and federal employment laws and the activities of Texas Workforce Network and to answer their questions. The agency conducted employer surveys in Waco, Brownsville, Wichita Falls, Tyler, and College Station. More than 250 employers responded to the survey. Highlights of the survey follow (complete response information is included in Appendix C).

Table 8: Employer Survey Highlights

| SURVEY ITEM | RESPONSE |
|------------------------------|------------|
| Size of business | |
| 25 or fewer employees | 53% |
| between 26 and 100 employees | 27% |
| more that 100 employees | 20% |
| Industry | |
| health care | 20% |
| business services | 13% |
| manufacturing | 9% |
| retail | 8% |

| | |
|---|-----|
| Difficulty in finding qualified workers | |
| difficult or very difficult – all firms | 61% |
| firms with 25 or fewer employees | 61% |
| firms with 26-100 employees | 58% |
| firms with 100+ employees | 68% |
| Top reasons for training workers | |
| keeping pace with change | 35% |
| remaining competitive | 19% |
| Top three training needs | |
| specialized/occupation specific | 29% |
| basic skills, teamwork, work ethic | 15% |
| computing/technology | 15% |
| Who is responsible for providing training? | |
| company is responsible for training its employees | 16% |
| shared responsibility - employee and company | 83% |
| Two most important barriers to offering more training | |
| money | 42% |
| time | 23% |
| General job readiness training has been provided in last 3 years? | |
| firms with 25 or fewer employees | 46% |
| firms with 26-100 employees | 57% |
| firms with 100+ employees | 67% |
| all | 53% |
| Technical, trade skills, or certificate training has been provided in last 3 years? | |
| firms with 25 or fewer employees | 48% |
| firms with 26-100 employees | 59% |
| firms with 100+ employees | 55% |
| all | 53% |
| Who conducted the training? | |
| company | 43% |
| private firm or consultant | 28% |
| technical or community college | 11% |
| Willing to work with your local board or with an industry consortium to design and obtain customized skills training for your employees? | |
| yes | 80% |

Survey of Local Board Executive Directors

In October 1999, the agency surveyed executive directors of local boards to understand better their viewpoint and to obtain their further input on skills enhancement issues. Highlights of this survey follow (complete response information is included in Appendix D).

Table 9: Local Board Survey Highlights

| SURVEY ITEM | RESPONSE |
|---|----------|
| Local workforce area | |
| urban | 12% |
| rural | 52% |
| rural/urban mix | 12% |
| border | 24% |
| Importance of work skills enhancement to area | |
| important or very important | 76% |
| Skills Development Fund or Smart Jobs activities in area? | |
| yes | 72% |
| Current local board involvement in local work skills enhancement activities? | |
| yes | 56% |
| Work skills enhancement included in board's strategic plan for area? | |
| yes | 48% |
| Top barriers to local skills enhancement projects | |
| lack of funding | 36% |
| structure/bureaucracy | 19% |
| business community awareness | 12% |
| Rank skills enhancement priorities for local area | |
| basic skills training | 1 |
| unskilled/low-skilled workers | 2 |
| underemployed workers | 3 |
| Businesses to target | |
| growth/high demand | 33% |
| should be identified by local community | 21% |
| Workers to target | |
| should be identified by local community | 16% |
| at risk of layoff/unskilled/entry | 13% |
| basic skills deficits | 13% |
| low education levels | 13% |
| Skills enhancement payoffs for local board | |
| strengthen employer services/network | 23% |
| skilled workforce | 18% |
| business success/gains | 11% |
| Board/centers have adequate staff expertise for skills enhancement projects? | |
| no | 33% |

SUMMARY OF FINDINGS

Employers

Finding qualified workers is becoming increasingly difficult. Our initial assessment of Texas companies points out that all companies, regardless of size, find it difficult or very difficult to find qualified workers. Texas employers, workers, and communities seem to agree with general research findings on worker training that increased productivity, profits, and efficiency are the results employers can expect from worker training. Remaining competitive and keeping up with technological change are the primary reasons that Texas companies are interested in training or retraining their workforces.

Our findings confirm that large Texas companies are very aware of worker training issues and are more likely than smaller companies to have offered general job-related training in the last three years. Interestingly, medium-sized companies are more likely than either large or small companies to have offered technical training in the last three years. While all employers identify technical training needs as among the most important, small firms are most likely to cite interpersonal- and social skills-related training as important needs. Basic job readiness, customer relations/service, teamwork, and responsibility/work ethics training are more important to smaller than larger firms, perhaps because 67% of larger firms are already providing some form of basic job readiness training. Company orientation, software/hardware, and job-specific technical training are most important to larger firms.

For all firms, the company itself is most likely to be the source that provides the training, though large firms are more likely than smaller firms to work with community or technical colleges to provide training. Large or small, Texas employers find money and time to be the major barriers to investing in additional education or training for their workers and are largely unaware of the government resources available to assist with enhancing employees' work skills.

It is little wonder that time and money are major barriers to enhancing workers' skills. Skills enhancement requires more than simply scheduling a training course for workers to attend. To be relevant and successful, skills enhancement requires developing career progression plans, projecting skill needs, adequately measuring workers' skill levels, identifying skill gaps, defining specific training needs, locating qualified trainers, developing curricula and training materials, and planning for delivery. The "things-to-do" list for a company seeking to enhance work skills represents a huge investment of time and money for any firm, but the impact is greatest for small firms. Add to that list the time involved in identifying possible community, state, or federal resources, and it is easy to understand why few firms are aware of such assistance.

The high cost in time alone of delivering training to employees underscores the importance of planning for federal, state, and local assistances that are easy to apply for and access. While the potential return-on-investment (ROI) for businesses can be high in terms of increased throughput and productivity, that ROI quickly dwindles when one is faced with the time costs of wading through "bureaucratic red tape." Rapidly changing markets and technologies are other important reasons that skills enhancement assistance services must be flexible, quick, and responsive. If it takes too much time to locate, apply, and be approved for assistance, chances are that industry's training priorities will have changed.

Table 10: Checklist for Company Work Skills Enhancement Project

Things to do...

Company Work Skills Enhancement Project

- ✓ *Develop career progression plans for workers*
- ✓ *Project work skill needs*
- ✓ *Assess workers' skill levels*
- ✓ *Identify gaps*
- ✓ *Define training needs*
- ✓ *Develop/update company training policies*
- ✓ *Locate qualified trainers*
- ✓ *Develop curricula & training materials*
- ✓ *Plan for flexible delivery options*
- ✓ *Assess company's training budget*
- ✓ *Identify possible community, state, or federal resources as needed*

Working Texans

The majority of employers consider training to be a shared responsibility between the employee and the company and working Texans have concerns about many of the same issues that are important to employers. The increasing number of single-parent households and growing dependence of other households on dual-incomes mean that time and money constraints are paramount. Working Texans need a high degree of support—in both the home and the workplace—to undertake and successfully complete the education or training courses needed to enhance their skill levels. They need to recognize the short and long-term benefits of investing their time and efforts in enhancing work skills.

Employees, too, need to realize a return-on-investment. Pay increases and clear career paths help make worthwhile the time and effort spent in training. Workers need help planning a job progression that forms a career path where skills are developed and deepened over a series of jobs. If their company encourages workers to cross-train to learn skills needed in company areas other than the

worker's immediate area of responsibility, this helps build career pathways for occupations that otherwise would offer few opportunities for advancement.

Table 11: Checklist for Worker Seeking Skills Enhancement

Things to do...

Worker Seeking Skills Enhancement

- ✓ *Cultivate career awareness*
- ✓ *Develop plans for career progression*
- ✓ *Project work skill needs*
- ✓ *Assess skill levels*
- ✓ *Identify gaps & training needs*
- ✓ *Locate education or training provider(s)*
- ✓ *Check company training & education policies*
- ✓ *Identify relevant sources of financial aid & apply*

Working Texans have specific skills enhancement resource and access needs. Old formats of semesters, day-only classes, and multi-year programs no longer meet most workers' needs. Education and training programs need to be responsive to the conflicting demands faced by today's workers. Workers need to be able to make full use of new and powerful learning technologies that allow for learning anytime at home, the work site, or other appropriate places. Information on the options for learning must be presented continuously and in practical terms. Workers' perceptions of their company's training policies are important. They need to feel that their company is willing to train all workers no matter which position they hold within the company and regardless of gender or race.

Texas Communities

Communities need all adults—including those with low basic skills—to have opportunities to reach their full potential as workers, parents, and civic residents. The local boards that are part of the Texas Workforce Network are logical partners with local businesses and other community organizations to organize and implement skills development initiatives.

According to our survey of local board executive directors, a majority sees skills enhancement issues as important to their communities. Yet only 56 percent are currently offering services related to work skills enhancement. Fully one-third of local boards report that they do not currently have the in-house expertise needed to establish and broker complex training arrangements. Other barriers to offering the services include lack of funding, the structure/bureaucracy involved in establishing service, and the lack of acceptance of government administered programs and awareness of the issues on the part of the business community.

Table 12: Checklist for Community Implementing Local Skills Enhancement

Things to do...

Implementing Local Skills Enhancement

- ✓ *Be quick and responsive to local needs*
- ✓ *Identify, contact, and establish local partnerships*
- ✓ *Expand and draw upon local expertise*
- ✓ *Identify local work skills enhancement needs*
- ✓ *Identify federal, state, local, and private resources*
- ✓ *Assess resource "gaps" and generate additional resources*
- ✓ *Develop outreach and customer service plans*
- ✓ *Develop methods to assess results*
- ✓ *Implement projects*
- ✓ *Assess and disseminate results*

Local boards need assistance to help fulfil the role in their communities of planning and implementing skills enhancement projects. Local boards periodically submit local strategic workforce development plans kept on file at TWC. Some local boards need assistance in developing the necessary in-house expertise to devise strategies for delivery of skills enhancement services—52 percent report that such strategies are not currently a component of their strategic plans. Others already have such strategies

included in their strategic plans—48 percent—or the expertise to implement skills enhancement projects—66 percent—but not the funds.

This planning function is critical to community success in local workforce skills enhancement initiatives. Gathering and interpreting local labor market “intelligence” provides the basis for that planning.⁸ During this process, stakeholders and potential partners are identified and brought into the decision- and policy-making loop as the longer-term skills enhancement direction is mapped for the workforce area. Local boards can move through a planning process that opens new doors for relationships with area employers and other community skills enhancement stakeholders by utilizing a “demand-centered” approach to identifying local employer needs, workforce skill levels, and available resources. By becoming the local “experts” in labor market intelligence gathering, local boards fulfil a vital function in the community and provide a focus around which viable partnerships for successful skills enhancement initiatives will form.

Are local boards really a good means to deliver such services in communities? Fully 80 percent of the business we surveyed said “Yes!” Businesses large and small are having difficulty locating workers and are very willing to work with local boards—even as part of a consortium of employers—to access the skills enhancement resources they need.

⁸ Froeschle (ed.).

THE NATIONAL AND STATE WORKFORCE ENVIRONMENT

In the context of today's strong economy, it makes good sense to step back and assess the broader trends affecting the job market of today and the future. With these trends in mind, state and local areas can put into place workforce policies that will help sustain the current economic expansion. The key to local success in meeting the day-to-day challenges of workforce development lies in understanding economic and labor market trends in addition to the needs of employers and workers.

Texas' economic diversity and decentralized workforce development structure present unique challenges to developing industry and occupational targets. The agency, through its Labor Market Information and State Occupational Information Coordinating Committee sections, maintains and makes available extensive statewide and local economic, demographic, labor market, and occupational data. However, analyses of local data that are performed at the state level must be assessed, verified, and validated by local boards in light of local trends and information. These data and analyses provide the foundation that local insight and investigation build upon, creating an open structure that takes into account local needs and accommodates community partners cooperatively working to accomplish mutual workforce goals.

The following sections give an overview of economic and labor market trends in the nation and the state. Within the state, sub-state synopses are provided for rural, urban, and the Texas-Mexico border areas. This overview offers a broad look at the national, state, and sub-state trends that are expected to impact local areas and affect the local needs and requirements for skills enhancement services. As previously stated, however, this information must be assessed, verified, and validated by local boards in light of local trends and information.

THE NATIONAL WORKFORCE ENVIRONMENT

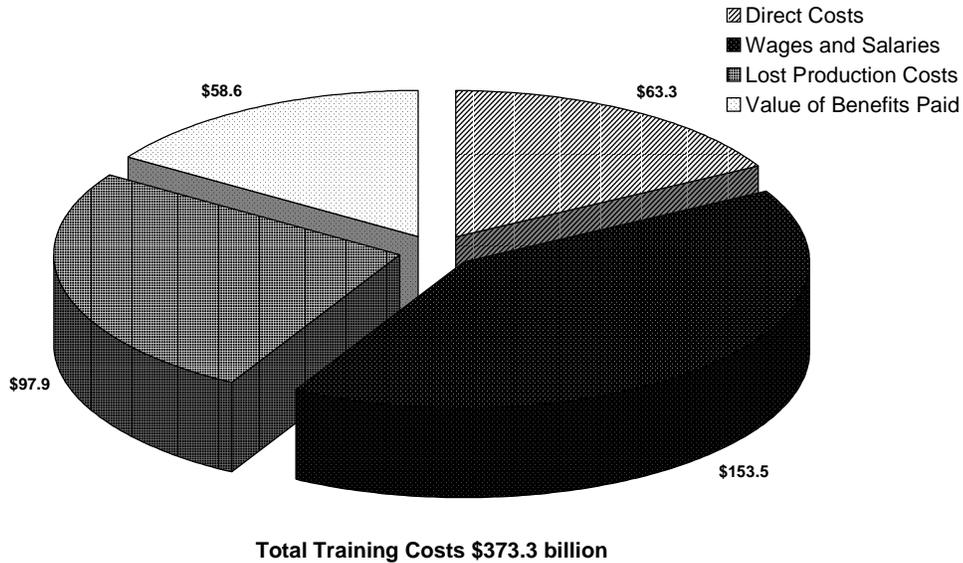
In 1996, the Council on Competitiveness estimated that U.S. businesses spent more than \$232 billion on workforce training.⁹ A more recent research paper, published by the Employment Policy Foundation in March 2000, shows that national corporate expenditures for worker training are now at an all time high. Corporate training budgets have steadily increased in the last decade, with companies setting aside \$63.3 billion for direct training costs in 1999, an increase of 37.4 percent since 1991. Businesses' total direct and indirect training costs (see Figure 2, below) were between \$284.7 billion and \$373.3 billion in 1999—more than the total annual spending of colleges and universities combined.¹⁰

Why are corporations investing so much in worker training? Fundamental changes in the U.S. economy over the last 20 years have placed a premium on the educational achievement and technical skills of workers. Changes in the workforce over the next 20 years will raise that premium.

⁹ Council on Competitiveness.

¹⁰ Hattiangadi.

Figure 2: Employers' 1999 Training Costs by Type



Source: Adapted from Hattiangadi.

The Bureau of Labor Statistics projects that, over the next decade, 42 million people will enter the workforce, about 25 million will leave, and 112 million will stay in the workforce.¹¹ Over the next several years, instead of nearly all increases in employment being seen among the 25- to 54-year-old age group, fewer than one in three workers will be in this category. The proportion of 25- to 54-year-olds in the labor force will decline from 71.7 percent in 1998 to 67.4 percent in 2008. The proportion of workers in the 55+ categories will increase from 26.6 percent to 30 percent. Nearly half of the workers will be among the 55-and-older category, while only about one in five will come from the youth labor force.¹²

Current U.S. labor force demographic trends are only likely to increase the need for work skills enhancement for working Americans over the coming decades. The decline in labor force participation with age is highest among less-educated workers. Part of the reason is that their limited skills and limited access to training leave them with only low-wage options. Employers are generating jobs with higher skill requirements. A 1994 DOL National Employer Survey of establishments notes that three-fourths of employers reported the skills required to perform production and support jobs had increased over the prior three years.¹³ Taking advantage of increased opportunities offered by increased employer demands for skills requires expanded training opportunities for workers. This is especially true for older workers to avoid skill obsolescence. According to the Organisation for

¹¹ Fullerton.

¹² Ibid.

¹³ Ibid.

Economic Development and Cooperation, older U.S. workers are already more likely to obtain training than older workers in other countries.¹⁴ Employers will have increasing difficulty replacing retiring workers and those workers whose skills become outdated with workers from the youth labor force. Employers will be placing more and more emphasis on upgrading skills and retaining their current workers.

THE TEXAS WORKFORCE ENVIRONMENT

Over the past several decades, the Texas economy has become more closely linked to the national situation. Over the next few years, Texas will likely follow the U.S. economic growth pattern in terms of general trends such as the shift toward a more service-based economy and a more diverse (and growing) population.¹⁵ Census data reveal that Texas' population increased from 11.2 million in 1970 to nearly 17 million in 1990. In 2000, with a population of more than 20.1 million, Texas is currently the second most populous state in the country.¹⁶

Growth has been most rapid in the state's large metropolitan areas and in regions along the Texas-Mexico border, with small increases and even population decline being evident in some of the more rural areas in the Panhandle and West Texas. Projections of Texas future population growth suggest that population will increase substantially, increasing to between 33 and 38 million by 2030. Patterns of increasing economic and demographic diversity are likely to occur in virtually all parts of the state.¹⁷ While becoming more attuned to the national economy, the state nevertheless continues to outperform national growth patterns. In addition to the job growth in service industries seen at the national level, significant advances are forecast at the state level in the high-tech, manufacturing, and communications segments. The state is expected to continue to outperform the national pace of job growth. Spurred by the North American Free Trade Agreement (NAFTA), trade with Mexico will continue expanding.¹⁸

Business and Industry

During 1990s, the complexion of the Texas economy continued its shift away from goods-producing industries, sustaining a pattern that began in the 1980s. In 1980, 29.4 percent of Texas nonfarm jobs were in the goods-producing industries of manufacturing, construction and mining. The share of goods-producing jobs dropped to 21.4 percent of all nonfarm jobs by 1990 and is 19.3 percent today.¹⁹

As a group, Texas service industries have followed the national trend and now constitute a larger slice of the job pie than they did at the beginning of the last decade. Texas employment in the service industries has more than doubled over the past 15 years. Jobs in this category ballooned by nearly 1 million in the 1990s alone, accounting for 42 percent of the state's total nonfarm employment growth of 2.35 million jobs. Business services have realized the largest increase among the service subcategories, along with substantial gains in engineering, accounting, research, consulting and management services. Travel and tourism rank among the largest and fastest growing industries in

¹⁴ Howell and Wolff.

¹⁵ Perryman.

¹⁶ USDOC Bureau of Census.

¹⁷ Murdock et al.

¹⁸ Perryman.

¹⁹ Office of the Comptroller of Public Accounts.

the state. Since 1990, domestic travel and tourism spending is up in Texas by 51.0%. Texas is the second most popular state visited by U.S. travelers and third in the amount of direct spending by U.S. (domestic) travelers.²⁰ Construction jobs bucked the downward trend of the rest of the goods-producing jobs and rose as a share of all jobs. In terms of employment shares, mining and manufacturing industries have grown substantially smaller, although significant growth is expected over the next several years in metal mining services.²¹

Statewide, service industries will add about 206,000 jobs annually between now and 2010, compared to only 25,000 additional goods industry jobs per year. This is striking in the short-term between 1999 and 2001, when only 4 percent of all job growth, or 15,000 additional jobs, will be in goods industries. This will be due to a gradual slowing of construction and manufacturing activity. The fastest growing sectors of the economy over the next decade will be largely in industries requiring specialized education and skills. Those industries include high tech communications, engineering, research, and business services, which include software and data processing.²² High technology industries, some of which will grow explosively, will not necessarily produce the greatest number of jobs. The business services sector will account for the greatest number of actual new jobs, averaging 44,100 annually over the next 10 years.²³

Retail trade will account for the second largest number of new jobs, with 36,700 new jobs created each year. The actual rate of growth for this industry will be slower than the overall state rate. The third-highest number of jobs will be created by local government, with 25,600 positions added each year. Approximately two-thirds of those jobs will be in school districts.²⁴

Miscellaneous services will be the source for 23,900 additional jobs each year. Those services include lodging, amusements and movies, recreational services, legal services, associations, agricultural services and personal services. Health and medical services, growing as the median age of the population rises, will add 20,200 positions per year. The engineering, management/consulting, accounting, and research services industry group is expected to add 14,500 jobs annually.²⁵

Partially due to NAFTA, transportation services, which include trucking, railroads, and airlines, will add 14,400 jobs per year. The border area in particular will benefit from NAFTA-related transportation expansion. The industrial sectors most likely to lose more jobs than they gain are mining (oil and gas), instruments manufacturing, food processing, and depository institutions. These sectors will grow in terms of production, but technological changes and higher productivity will mean fewer employees. Other sectors that will see little growth—in fact, likely to decline—are textiles, apparel, leather, footwear, agricultural chemicals, paper mills, petroleum refining, metal cans and shipping containers, barber shops, and motion picture distribution and services.²⁶

²⁰ Perryman.

²¹ TWC LMI Industry Projections 1998-2008.

²² Ibid.

²³ Comptroller of Public Accounts.

²⁴ Ibid.

²⁵ Ibid.

²⁶ Ibid.

Workers and Employment

Texas ended the last decade with an estimated 9.9 million jobs, adding 2.3 million jobs in the 90s—more than any other state²⁷. We now have four Texas jobs for every three jobs in the state when the 1990s began. The economic strength of the 1990s brought about a 15 percent decline in the total number of unemployed Texans. Through the work of the Texas Workforce Network, tens of thousands of persons have shifted from welfare dependency to jobs and are moving toward self-sufficiency. The current unemployment rate of around 4.3 percent is a 20-year low. Texas employment is expected to grow about 2.2 percent a year over the next 10 years. The number of Texas nonfarm jobs will reach the 10 million mark sometime in 2003. By 2010, it will approach 11.7 million.²⁸

Between now and 2011, the population between 45-64 years of age will show the most rapid proportional growth of any age group. The 45-65 population will increase from 17 percent in 1990 to more than 25 percent of the population by 2010. By 2030, 17 percent of the population, compared to 10 percent in 1990, will be 65 years of age or older. Median age will increase from 30.8 years in 1990 to 37.9 years in 2030. Across all racial and ethnic populations, Texas' workforce will be aging, though not as rapidly as the nation as a whole.²⁹

Occupations with a projected growth rate of 50 percent or more will make up only 10 percent of the state's total increase in employment, but are growing at a significantly higher rate than the statewide rate of 21 percent. Professional and technical occupations make up the majority of these "fastest growing" occupations, including Systems Analysts, Computer Support Specialists, Database Administrators, Computer Engineers, and Emergency Medical Technicians. The occupations expected to add 10,000 or more jobs from 1996 to 2006 represent 50 percent of the projected overall job growth in Texas. Service occupations account for 28 percent of those occupations including Child Care, Food Preparation, Waiters and Waitresses, Home Health Aides, and Personal Home Care Aides. Topping the list of occupations expected to have the largest number of job openings are Cashiers, Retail Salespersons, General Managers, Waiters/Waitresses, and General Office Clerks. Many of the job opportunities in these occupations, however, will be due to traditionally high levels of turnover.³⁰

In Texas, a recent State Occupational Information Coordinating Committee (SOICC) report shows that workers' investments of time and effort in training do not necessarily result in promotions or salary increases.³¹ In fact, in the longitudinal study conducted, SOICC found that the majority kept the same job title after 5 years or advanced only to a slightly senior position.

In general, wages in Texas are lower than the national averages for a large number of occupations. Interestingly, most of the top 20 highest paying occupations in Texas (primarily health and computer-related) exceed the national average for the same occupations. Only four of the top twenty occupations (Dentists, Actuaries, Aerospace Engineers, and Chiropractors) have wages lower than the wages for the same occupations at the national level. For these occupations, Dallas pays the

²⁷ TWC Labor Market Information (LMI).

²⁸ Office of the Comptroller of Public Accounts.

²⁹ Murdock et al.

³⁰ Gattis (LMI).

³¹ Dimmitt.

highest wages of any area in the state. Wages for the occupations that employ the most Texans—Registered Nurses, Truck Drivers, Janitors and Cleaners, Secretaries, Cashiers, Retail Salespersons, General Office Clerks, Nursing Aides and Orderlies, and Waiters and Waitresses—lag behind the national averages for the same occupations. Many of the positions in this category require only minimal levels of education and training.³²

Special Geographic Areas

RURAL AREAS

Today, 11.4 percent of all Texas nonfarm jobs are in the 196 counties that do not contain one of Texas' 27 Metropolitan Statistical Areas (MSAs). In the past 10 years, nonfarm employment in these less-populous, often rural, counties grew nearly as fast as in the MSAs. These areas now have 1.05 million nonfarm jobs, an increase of 228,000 jobs in the last decade. For every 100 jobs in Texas' less populated counties at the beginning of the 1990s, 128 now exist. This represents more than 2.5 percent annual employment growth, compared to 2.9 percent per year in the MSAs.³³

The historical economic mainstays for rural areas have been farming, ranching, and petroleum. Now, there is a broader rural economy. Job growth has been particularly strong in landscape and nursery services, recreational and retirement-related sectors, and tourism services. Still, the unemployment rate in Texas' rural areas (the non-MSA counties) is about one percentage point higher than the state's overall unemployment rate of 4.5 percent.³⁴

METROPOLITAN AREAS

Projections for metropolitan areas show suburban areas continuing to have the fastest population growth. Metropolitan counties increased their populations by 14.9 percent from 1990 to 1994, compared to increases of 7.9 percent for counties with large central cities, 5.2 percent for nonmetropolitan adjacent counties, and 3.5 percent for rural counties.³⁵ Approximately 89 percent of Texas nonfarm employment is found in Metropolitan Statistical Areas (MSAs).³⁶ Metropolitan area economic and population growth closely resemble the state profile. Between 1996 and 2006, Texas is projected to add almost 2 million new jobs, 44 percent of which will be found in the professional, technical, and service occupations. Some 2.1 million job vacancies will occur as workers separate from their jobs. These job openings will become available through retirements, promotions, or transfers.³⁷

Employment is expected to grow by 21 percent, compared to a U.S. job growth rate of 14 percent. In general, Texas urban areas closely mirror the national profile with respect to which occupations will add the most jobs by 2006. In Texas, however, the occupational fields of Operators, Fabricators, and Laborers, and Skilled Craftsmen and Repairers will provide significantly more jobs than the national average. Similarly, Emergency Medical Technicians will grow by 74 percent as they replace unpaid volunteers in areas where major cities incorporate surrounding rural areas.³⁸

³² Aleman and Dermit (LMI).

³³TWC Labor Market Information(LMI).

³⁴Office of the Comptroller of Public Accounts

³⁵ Murdock, et al.

³⁶ Aleman and Dermit (LMI).

³⁷ Gattis (LMI).

³⁸ Ibid

TEXAS-MEXICO BORDER AREAS

Population growth rates in the Texas-Mexico border area are second only to growth in Texas' largest metropolitan areas. The population of the border region includes a large number of highly mobile residents; many are Mexican immigrants and some are migrant farm workers who follow crop harvests. Agribusiness is still a strong industry in border areas. Overall, agribusiness along the border will realize around 3.3 percent job growth between 1998 and 2006. However, growth in agribusiness will be uneven, with the Cameron area showing a 5.8 percent and the Upper Rio Grande area a 2.9 percent job increase during that period, compared to an 8.7 percent decline in the Middle Rio Grande area.³⁹ Other important industries include manufacturing, tourism, food processing, shipping, petroleum products, health-related occupations, and government services.

Since 1995, the Mexico border area has experienced a marked decline in its traditionally strong apparel industry. Manufacturing firms in the area have gone through multiple structural changes due to changing relative labor costs between the U.S. and Mexico and the synergistic effects of NAFTA and the maquiladora industry. Maquiladoras, or "twin plants" that are co-located in both the U.S. and Mexico, are often export-oriented manufacturers. NAFTA allows raw materials to enter Mexico duty-free if used in making products for export. These manufacturing and trade conditions have changed the relative demand for skilled and unskilled labor.

Employment in manufacturing industries has undergone widespread growth in the Border area. Mexico is Texas' largest market for exports, accounting for approximately 36.9 percent of the state's total shipments abroad⁴⁰. Border cities have seen much change in economic structure and commerce in recent years due to the globalization of world trade but more specifically due to the NAFTA and Mexico's 1995 peso devaluation. These events helped to trigger currents that are changing the economic landscape of border communities. One effect of these economic changes is a mismatch between job skill demands and the current availability of work skills, partially because workforce participants in border areas are typically younger and have fewer skills than in the rest of the state.⁴¹

The 1230 mile-long Texas-Mexico border is frequently crossed, and transportation and shipping industries are growing rapidly there. Three Texas sites are currently involved in site testing of electronic systems to facilitate the movement of people and goods across the border's international bridges. The three test sites are the Columbia-Solidarity Bridge, the Isleta-Zaragoza Bridge, and the Lincoln-Juarez Bridge. These sites are being equipped with dedicated short range communications (DSRC) equipment to support the U.S. Treasury's North American Trade Automation Prototype (NATAP) demonstration project. This project will demonstrate Commercial Vehicle Information Systems and Networks (CVISN) messaging, on-vehicle safety monitoring, and cargo security devices. The test will enable commercial vehicles and daily commuters to cross a "transparent" international border. The test is in the system development/installation phase.⁴²

³⁹ Murdock, et al.

⁴⁰ Sesler (LMI).

⁴¹ Perryman.

⁴² US Dept. of Transportation.

The El Paso MSA, the largest along the border, experienced an 18.1 percent population growth between 1990 and 2000, to a total population of 698,787. El Paso is located in the 6 county Upper Rio Grande Valley Workforce Development Area, where population grew by 11.52 percent overall for the same period.⁴³ El Paso saw total nonfarm employment increase by 2.8 percent (6,800 jobs) from June 1997 to June 1998.⁴⁴ All major industry sectors in the area realized net gains during this period, except non-durable manufacturing (e.g., apparel) and federal government sectors.

The Laredo MSA is home to North America's busiest overland trade route with Mexico. It is one of the fastest growing MSAs in Texas. Laredo is located in the 4 county South Texas Workforce Development Area, which overall saw a 22.7 percent population increase from 1990 to 2000. During the same period, the Laredo MSA population increased by 48.9 percent to 65,160.⁴⁵ Laredo is experiencing large influxes of population and rapid economic growth. Moreover, Laredo has added thousands of jobs, increased its annual income, lowered its unemployment rate, and has turned from a quiet tourist town to a thriving shipping hub. Transportation, trucking, and warehousing in the Laredo area have grown rapidly since NAFTA. Currently, Laredo offers three international vehicular bridges into Mexico and will soon be opening a fourth international bridge. All three bridges connect to major thoroughfares allowing for the expeditious movement of goods between both countries.⁴⁶

The Brownsville-Harlingen-San Benito MSA population grew 24.6 percent between 1990 and 2000. Located in the Cameron County Workforce Development Area, the population of Cameron County is currently 324,127.⁴⁷ Brownsville, with a current population of 150,000, is the 13th fastest growing city in the U.S. Brownsville offers intermodal shipping advantages to companies with strategic shipping requirements. Goods travel to and from Brownsville through the deepwater seaport, barges move through the intracoastal waterway to the Mississippi River, cargo is carried by rail to U.S. and Mexican locations, trucks utilize the four lane highway system, and air transportation is handled from one of three international airports located within a twenty mile radius. Next door to Cameron County, Hidalgo County is among the ten fastest growing counties in Texas, with a population growth of 41.2 percent between 1990 and 2000. The McAllen-Edinburg-Mission MSA, located in Hidalgo County, grew 41.5 percent to 542,528 during the same period. The overall population of the Lower Rio Grande Valley Workforce Development Area, in which Hidalgo County is located, grew 27 percent.⁴⁸ This region is rapidly becoming a major manufacturing center within the state. The automotive industry in particular has concentrated there. Other key manufacturing industries include microelectronics, electrical equipment, medical/dental instruments, and household consumer durables. A large supplier base has also grown up in the region to capture the more than \$2 billion that local manufacturers spend annually on supplies and components.

⁴³ Texas State Data Center Population Estimates.

⁴⁴ Sesler (LMI).

⁴⁵ Texas State Data Center Population Estimates.

⁴⁶ Office of the Comptroller of Public Accounts.

⁴⁷ Texas State Data Center Population Estimates.

⁴⁸ Ibid.

Summary of Planning Activities

Our goal for this DOL/ETA System Building grant has been to develop a plan which will enable effective, locally administered initiatives that meet the need of businesses and working Texans for a single, widely recognized local source of information and expertise about skills enhancement resources. The grant has afforded our state the opportunity to perform the initial assessment of needs and analysis of the state workforce environment that are necessary to develop a statewide plan. This document provides a baseline from which the Texas Workforce Network can begin an ongoing process of designing, developing, and implementing skills enhancement services at the local level.

We developed and carried out a planning process that focused on the workforce skills enhancement outcomes we need to achieve while being responsive to the state's diverse regional workforce development interests. We have been able to involve the state's workforce development stakeholders in the planning process, working directly with businesses, local boards, education and training providers, and other community organizations to define the issues, identify needs, and develop fundamental policy.

Each stakeholder group—businesses, workers, and communities—contributed a unique perspective. Diverse stakeholder interests were expressed by differing sizes of businesses and in differing geographic areas. Businesses told us they are aware of the importance of training current workers and are very willing to work with local boards—even as part of a consortium of employers—to access the skills enhancement resources they need. Technical training is the most important type of training to all firms. Small firms are most likely to cite interpersonal- and social skills-related training as important needs, including basic job readiness, customer relations/service, teamwork, and responsibility/work ethics. A large majority of larger firms already provides some form of basic job readiness training. Service delivery must be quick and responsive and access must be readily available—not bogged down in "red tape".

Workers told us that education and training must be available through means that fit today's hectic time schedules. They must have support on all fronts for the time and effort they put into training and know that they can expect a return on that investment in the form of pay increases, certifications, or career path advancement plans. Local boards told us that, to offer skills enhancement resources in their communities, they need wide latitude in identifying local workforce training needs and directing resources specifically toward those needs. Many local boards need assistance in building local capacity to meet training needs.

Assessing the broader trends affecting the job market of today and the future, we found that the Texas economy has become more closely linked to the national situation. However, the state's economic diversity and decentralized workforce development structure present unique features and challenges. The state is expected to continue outperforming the national pace of population and job growth. In addition to the job growth in service industries seen at the national level, significant advances are forecast at the state level in the high-tech, manufacturing, and communications segments.

Retail trade will be second only to business service sectors in creating new jobs. Local governments will create the third-highest number of jobs, primarily in school districts. Health and medical services will grow as the median age of the population rises and will contribute significantly to job creation,

especially in rural and border areas. Travel and tourism rank among the largest and fastest growing industries in the state and are becoming important industries in rural areas. Partially due to NAFTA, transportation and warehousing services will add large number of jobs, especially in border areas. Construction industries will continue moderate growth and will be important job producers in border areas, particularly in metropolitan counties. Manufacturing and manufacturing suppliers, always important in metropolitan areas, are now economic mainstays along the border. These industries are creating many new jobs, but are also creating a mismatch between employer skill demands and the skill levels of a rapidly growing border area workforce that tends to be younger, with fewer skills than in other areas of the state.

These economic trends, in combination with demographic growth, changing patterns of labor force participation, and large, diverse geographies in Texas will create new challenges in the form of increasing demand for enhancing the skills of the state's workforce.

IMPLEMENTATION PLAN

The State's Role

As the state's primary agency responsible for delivering workforce services and the state's WIA administrator, TWC is in an ideal position to coordinate a state plan to improve access to skills enhancement resources. Through the Texas Workforce Network—comprised of TWC, its statewide partners, and the local boards and their community partners—we are able to initiate activities on a statewide basis that will have a positive impact on the skill levels of working Texans.

Our background research suggested two key courses of action appropriate at the state level: Provide statewide leadership for bringing work skills enhancement stakeholders together into viable partnerships to deliver education and training to current workers and strengthen the capacity of local boards to be full partners in those ventures. To do this, the Texas Workforce Commission has set aside \$5.5 million of Texas' WIA statewide activity funds from program years 1999 and 2000 to assist local boards with work skills enhancement initiatives. This \$5.5 million will be awarded as competitive grants to local boards for building local capacity or planning and implementing skills enhancement demonstration projects.

These grants should produce several outcomes. For those local boards needing to build capacity, the grants will allow development of a local plan for work skills enhancement. That plan should include strategies for initiating local business outreach, identifying local work skills enhancement needs, and defining services to address those needs, including customer service to assure customer satisfaction with services. For those boards who already have the capacity, the grants will afford planning and implementation of demonstration work skills enhancement projects that fulfil local employers' training needs and meet the skills enhancement resource access needs of local employers and working Texans. While local boards will be advised that their planning and implementation projects must be employer-driven—based on local employer's occupational and skill demands—the boards will be allowed to structure delivery of services directly to individual employees, employers, employer groups or consortia, or any combination thereof.

Boards will be encouraged to implement skills enhancement services that make use of all available funds to leverage training dollars, including funding provided through other federal and state training programs, such as federal WIA funds and state Skills Development or Smart Job funds, as well as local and private funding sources. Looking to the future, local boards will be encouraged to plan for continuation of service delivery through all available funding sources, including federal, state, local, and private sources.

The agency intends to design a Request for Proposals (RFP) such that local boards are given wide latitude in planning, designing, and implementing skills enhancement services at the local level. Rather than providing a "statewide" list of targeted industries and occupations, the RFP will encourage local boards to utilize the lists developed in their local WIA strategic plan. Boards that need to update or complete local planning for delivery of skills enhancement services in their area will be given the opportunity to apply for "capacity building grants" to assist in that process. These grants can be used by local boards to:

- perform local labor market analyses specific to providing training services;
- establish effective training services outreach activities to employers and workers;
- establish partnerships necessary to planning and service delivery; and
- engage in other activities necessary to build local capacity to deliver skills enhancement services.

Boards submitting “capacity building” grant proposals will describe the process through which they will collect and interpret local labor market information and begin building consensus and partnerships to implement skills enhancement services in their local area. The expected outcome and project deliverable will be a program year 2001 update of their local WIA strategic plan that specifically addresses the local boards’ strategies relevant to providing such services and an end-of-project report that describes their capacity building activities and the partnerships they have formed.

Boards submitting skills enhancement “demonstration project” grant proposals will be encouraged to offer a variety of skills enhancement services in the local area, including:

- information on sources of funding/financing available for current worker training;
- assistance with locating funding/financing and completing applications;
- information on schools, institutions, and companies with specific training/education expertise;
- assistance with locating schools, institutions, and companies with the necessary training/education expertise; and
- brokering consortiums or other partnerships for training delivery.

In these grant proposals, local boards will be asked to describe the types of training they want to fund, which industries or occupations they are targeting, and what type of skills upgrades will occur. The expectation is that training demonstration projects implemented by local boards will achieve the following objectives for workers who satisfactorily complete training:

- pay increases;
- skills certification; or
- career advancement opportunities.

Proposals will be evaluated on the basis of the comprehensiveness of the submitted project plan—including their background research into local demand occupations, skills, and training needs and employer and worker training resource and access needs—how well strategies are identified that will address those needs and appropriateness of budget. Reporting requirements will include an end-of-project report that provides information about trainees so that the agency may evaluate pay increase, certification, and career advancement outcomes.

Our background research shows that local control over the design and delivery of skills enhancement initiatives is a high priority among both businesses and workforce development professionals. Grants to build local capacity and implement local projects will do just that. Local boards will be able to define the scope of their activities, solidify working relationships with the organizations and businesses that are critical to the local economy, and implement projects that best benefit local employers, working Texans, and their communities. The Agency's role is to support and assist local boards with implementing skills enhancement services and projects in their local area.

Ongoing Assessment

As local boards plan and implement skills enhancement services in their areas, TWC will be working to collect data and information to better understand statewide and local patterns in skills enhancement needs and best practices in service delivery. The agency will be collecting statewide data on the objective outcomes of local skills enhancement initiatives, including:

- number of workers entering and completing training in demonstration projects;
- number of businesses participating in demonstration projects;
- number and expertise of training/education organizations participating in demonstration projects; and
- number of workers successfully completing training who receive pay increases, certification(s), or career path advancement plans.

The agency will also collect the data necessary to track, for those workers who successfully complete training, average pay increases received, types of certifications received, and types of career advancement plans developed. Through statewide conferences and publications, those data, information, and analyses will be disseminated back to local areas to inform a process of continuous improvement in delivery of services to enhance skills in the Texas workforce. A final report to DOL, summarizing these findings, will be delivered at the end of the initial implementation of the Statewide Plan for Enhancing Workforce Skills in 2002.

The following sections outline the Vision, Mission, Goals, and Objectives of this statewide project, and the timeline for implementation.

VISION STATEMENT

Ready access is available to Texas employers and working Texans for the resources they need to enhance work skills.

MISSION STATEMENT

Texas will be a leader in creating dynamic partnerships for work skills enhancement by supporting local communities' skills enhancement initiatives in a manner that best serves the interests of employers and working Texans.

STATEWIDE GOALS AND OBJECTIVES

Goal A: The Texas Workforce Network will advance statewide and local leadership for partnerships among business, labor, community, education, training, non-profit, faith-based, and government organizations to establish and maintain initiatives that enhance the skills of working Texans in response to the specific skill needs of Texas employers.

Objective 1: Encourage and support local and statewide consensus building and policy decision making to further develop effective workforce skills enhancement initiatives.

Activity 1: TWC will keep abreast of the workforce skills enhancement-related activities of other state agencies, education institutions, business, labor and local organizations and make information about those activities readily available through statewide publications.

Activity 2: TWC will organize an annual conference at which work skills enhancement partners and stakeholders can exchange information about policy and decision making issues, innovative models for partnerships, funding sources, outreach activities, needs identification and assessment activities, and other critical elements of successful skills enhancement initiatives.

Goal B: The Texas Workforce Network will become a preeminent source for employers and working Texans seeking work skills enhancement information, training resources, and expertise.

Objective 1: Increase and leverage the funds and in-kind resources available to communities for local skills enhancement initiatives.

Activity 1: TWC will issue a request for proposals to local boards for competitive grants totaling \$5.5 million to build local capacity for participating in local skills enhancement initiatives or implement local skills enhancement projects.

Activity 2: TWC will identify and keep abreast of other state and federal funding sources for skills enhancement initiatives and make that information readily available through statewide conferences and publications.

Activity 3: Local Boards will identify and make use of all available and appropriate funding sources when implementing local skills enhancement initiatives.

Objective 2: Through partnerships with business and labor organizations and training providers, foster work skills enhancement projects that are responsive to local skill demands, meet the skills enhancement resource and access needs of employers and workers, and result in pay increases, skill certification, or career advancement opportunities for working Texans.

Activity 1: Local boards will:

- a) as part of a local business outreach plan, identify local workforce skills enhancement needs and define strategies to address those needs, including strategies to identify innovative delivery methods;
- b) implement work skills enhancement projects based on local strategic goals and objectives;
- c) develop methods to assess the results of local work skills enhancement efforts, including a customer service plan to secure customer feedback from both employers and workers;
- d) report data and provide information to TWC for dissemination statewide.

Activity 2: TWC will:

- a) identify national research and other information about the critical elements of successful skills enhancement projects;
- b) collect information from local boards about local skills enhancement projects and analyze that information to identify best practices for successful outcomes;
- c) make information and analyses readily available through statewide conferences and publications.

Objective 3: Act as an information resource on employer skill needs, worker skill needs, available training resources and opportunities, local expertise, and other pertinent aspects of work skills enhancement initiatives.

Activity 1: Local boards will:

- a) develop local workforce center staff expertise on issues related to work skills enhancement, including local and regional LMI data analysis;

- b) collect information on employer skill needs, current training activities, and employer and worker access needs through the boards' local business outreach plan or other mechanism;
- c) develop a method for ongoing dissemination of local- and state-level work skills enhancement data and information to employers and employees, other local partners, and center staff (e.g., pages or links on the local workforce center web site, a local newsletter, periodic briefings and updates, etc.)
- d) report data and provide information to TWC for dissemination statewide.

Timeline

APRIL 1999 - AUGUST 2000

Activities

- ◆ *TWC begins to contact other stakeholders including state agencies, education institutions, businesses, and local organizations to inform them about the workforce skills enhancement-related activities of the Texas Workforce Network and investigate partnering opportunities*
- ◆ *TWC begins to collect information on the workforce skills enhancement-related activities of state agencies, education institutions, businesses, and local organizations*
- ◆ *TWC begins to identify other state and federal funding sources for skills enhancement initiatives*

Milestone

- ◆ *TWC establishes policies that outline expected outcomes of local skills enhancement initiatives*

OCTOBER 2000

Milestones

- ◆ *Final Draft Statewide Plan for Work Skills Enhancement submitted to DOL and placed on TWC Internet*
- ◆ *Work Skills enhancement competitive RFP released to local boards for grants totaling \$5.5 million*

DECEMBER 2000

Milestone

- ◆ *Work Skills Enhancement RFP closes - evaluation of grant proposals begins*

JANUARY 2001

Activities

- ◆ *Work on Skills Enhancement Information Clearinghouse TWC Intranet site begins*
- ◆ *TWC works with local boards to define the data reporting elements that will best measure expected outcomes*

Milestones

- ◆ *Work Skills Enhancement grants announced*
- ◆ *Work Skills Enhancement contract/contract amendments executed*

MARCH 2001

Milestone

- ◆ *Grant awardee project plans placed on Skills Enhancement Information Clearinghouse Intranet site*

JUNE 2001

Activity

- ◆ *TWC begins to collect information from local boards about local skills enhancement planning, local business outreach activities, customer service activities, and demonstration projects to analyze that information and identify best practices for successful outcomes*

SEPTEMBER 2001

Activity

- ◆ *Work skills enhancement booth/sessions at Statewide Conference*

DECEMBER 2001

Milestone

- ◆ *Capacity Grant awardees submit final reports on skills enhancement planning activities*

JANUARY 2002

Activities

- ◆ *Capacity Grant awardees' final reports on skills enhancements planning activities made available on Intranet site*
- ◆ *TWC begins analysis of awardees' reports on skills enhancement planning activities to identify critical planning elements and best practices*

APRIL 2002

Milestone

- ◆ *Capacity Grant awardees submit modification that includes skills enhancement addendum to local integrated plans*

JUNE 2002

Milestone

- ◆ *Demonstration Grant awardees submit final reports on skills enhancement projects*

JULY 2002

Activities

- ◆ *Demonstration Grant awardees final reports on skills enhancement projects are made available on Intranet site*
- ◆ *TWC begins analysis of Demonstration Grant awardees' final reports on skills enhancement projects to identify critical project elements and best practices*

SEPTEMBER 2002

Activity

- ◆ *Work skills enhancement booth/sessions at Statewide Conference*

Milestone

- ◆ *TWC releases preliminary report on critical planning elements, project elements, best practices, and outcome measurement data*

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APPENDICES

APPENDIX A

Statewide Skills Enhancement Planning Initiative
Steering Committee

The Texas Workforce Commission's

Statewide Planning Initiative for Incumbent Worker Training

Steering Committee Meeting

June 23, 1999 • 10:00 a.m. – 2:00 p.m.

AGENDA

1. Welcome and Introductions
2. Project Description
3. Break
4. The Need
5. The Players
6. Working Lunch
7. The Resources
8. Other Models
9. Break
10. Wrap-up & Next Steps

STATEWIDE PLANNING INITIATIVE for INCUMBENT WORKER TRAINING STEERING COMMITTEE MEETING - June 23, 1999

Committee Members (all members in attendance or represented by a substitute)

Paula Brown
Barbara Cigainero - Interim Chair
Gilbert Elizondo
Greg Ferland
John Fitzpatrick
Gene Freeland
Eric Glen
Stella Gutierrez
Richard Hall
Rick Levy
Ara Merjanian
Dr. Belinda Newman - substitute for Butch Hayes
Lee Rector
Bill Wilson - substitute for Kathy Spurgin
Holly Woelber
Cheryl Zaremba

Guests

Ron Lehman, TWC Commissioner representing employers
John Fuller, TWC, Manager, Local Workforce Board Support; chaired meeting after Ms. Cigainero had to leave
Jissyl Bradford, TCWEC
Mark Hughes, TWC, Director, Labor Market Information
Lela Dyson, TWC, Director, Program Planning & Development

Project Staff

Bebe Champ, TWC, Local Workforce Board Support
Diana Cummins, TWC, Local Workforce Board Support
Bill Jeffers, TWC, Local Workforce Board Support, Project Manager
Carol McDaniel, TWC, Program Planning and Development

INTRODUCTION/WELCOME

Bill Jeffers welcomed Steering Committees members to the first steering committee meeting to begin the statewide planning initiative. He then introduced interim Committee Chair, Barbara Cigainero, who welcomed everyone and asked the group to introduce themselves.

Commissioner Ron Lehman was introduced and expressed his view of the importance of the project and the challenges facing the Steering Committee.

PROJECT DESCRIPTION

Bill Jeffers briefly explained the primary objectives of the planning initiative and the Steering Committee's role in particular. The primary objective is the development of a Strategic Plan for Incumbent Worker Training in the State of Texas. A second objective is the development of an RFP calling for Local Workforce Boards to propose innovative incumbent worker training projects in their local areas. Then Jeffers explained that the demonstration projects were to have been funded from a \$3.5 million allocation the Commissioners had made from the 15% Statewide Initiatives portion of WIA Title I funds, but that the funds had been recently withdrawn. Greg Ferland elaborated that the 15% funds were for both *required* and *optional* statewide activities, and the Commissioners had rescinded their allocations in order to insure that money was available for all the required activities. If the money is available, then funding for the incumbent worker demonstration projects may be restored.

Bill Jeffers discussed the Incumbent Worker Training conference he and Butch Hayes attended in Washington, D.C., and commented on the perception of Texas being a leader in workforce issues. Committee members may receive copies of the conference materials if they request.

Barbara Cigainero asked the committee members to briefly share their thinking on the issue of incumbent worker training and the task being undertaken by the steering committee and the project staff.

COMMITTEE COMMENTS:

- *How we can develop an Incumbent Worker Strategy that takes into account the WIA strategy as a whole.*
- *Employer involvement is crucial in getting them to trust the federal government entrusted with these funds. Integration with other funding strategies and targeted groups.*
- *User-friendly access for both businesses and workers to government programs and funding. Not bureaucratic.*
- *Training programs cannot disrupt the business. Time management issues for employers, especially small employers.*
- *Use language that businesses can understand/relate to. (Use "currently employed worker," or "current workforce." Get rid of jargon). Employers will come if they understand.*
- *Make timelines that make sense – are quick and responsive.*
- *How flexible will programs be and how applicable is the training to the businesses? Employers fear that they may lose personnel due to improved skills.*
- *Strategy to take into consideration the principles developed in labor's incumbent worker models. Strategy should move us down the high road.*
- *Organize employers by industry. Have groups of companies within separate industries work together.*
- *Strategies should be tied to Industry Career Path.*
- *Need to help employers develop career ladders for their entry-level workers.*
- *Strategies should be responsive to the changing world of work, and the mobility of the workforce. Skills must be transferable. Mobility is a reality.*
- *Have to emphasize Return on Investment for both employer and worker.*
- *Shouldn't be just an economic development tool. Must benefit entire community.*
- *Should be focused on higher skills and higher wage jobs. How to link systems to the incumbent worker program/training.*

- *Must address poaching issues, poaching of businesses as well as poaching workers.*
- *Basic skills training is very important – teamwork, interpersonal skills*
- *Address future incumbent workers: students need core skills.*

Bill Jeffers introduced the project timeline (*see meeting notebook*). Then he asked the group to consider a *problem statement* for the Steering Committee (*meeting notebook*). The problem statement was posed as the primary question the steering committee will address at its second meeting/brainstorming session, and the basic question the statewide strategy document will answer.

PROBLEM STATEMENT

What is the most efficient and effective way to leverage resources for the training of currently employed workers?

THE NEED

Mark Hughes - Labor Market Information (LMI) Director presented on how Labor Market Information can help define our customers and market our product (incumbent worker training).

- Measure local labor market activity and aggregate it at the state level
- How do we focus/who do we talk to?
- What do you tell the employer when you call them?
- Know your market
 - Slow/declining industry job growth
 - Slow/declining industry rates of job growth
 - Presence of industry mass layoff activity
 - Above industry average wage
- Create inter-industry linkages. Get more bang for the buck
- Which industry clusters generate the most high wages jobs per dollar spent on training? High growth, high wage industries.

Comment from Holly Woelber: Those industries have resources and are already providing the training to their employees.

A great deal of LMI information is currently available on the TWC web site. An employer database will be added in approximately 3 months. Will assist public, boards access information in their areas.

Utilize LMI resources to target employers in urban, rural and border areas. Strategies in the different areas: are they suitable for each area?

Working lunch break – Barbara Cigainero had to excuse herself from the meeting at this point and introduced John Fuller, who had agreed to run the remainder of meeting. Richard Hall had to leave as well.

RESOURCES

- **Smart Jobs Fund – Stella Gutierrez**, its Director, described the Texas Department of Economic Development program, one of the State's largest sources of funding for incumbent worker training. Established in 1994. Funded \$107 million for year 1998/1999.

Serves four (4) business categories:

| | |
|--------|---------------------|
| Micro | 01 - 20 employees |
| Small | 21 - 99 employees |
| Medium | 100 - 499 employees |
| Large | 500 & above |

Now limited to projects involving employees who will earn at least the average county wage. This will limit the fund to high-wage projects.

- **Choices and Welfare to Work – Lela Dyson** presented information on these two programs. Both programs allow post-employment support, which includes training for current employees. *Program overview provided in meeting notebook.*

Bill Jeffers reviewed, asked for input on, and will provide members an updated Table on Funding Resources for Incumbent Worker Training.

At the next meeting the Committee will receive a briefing on WIA and the opportunities for local workforce boards to support incumbent worker training projects in their areas, and Richard Hall will talk about the Skills Development and Self-Sufficiency Funds.

THE PLAYERS

Bill Jeffers led a brief discussion of who the stakeholders are in the training of currently employed workers. *A list is provided in the meeting notebook.*

NEXT STEPS

- *Members agreed on Thursday, August 26, 1999 as the target date for next meeting. We have tentatively confirmed that date with IBM. Members should continue to hold it open on their schedules.*
- Need to interest more employers to participate on the committee. Bill Jeffers will be working to see if additional employers can be brought into the Steering Committee before the next meeting.
- Committee members should read the background materials provided in the meeting notebook, particularly the piece entitled *State Financed and Customized Training Programs*.
- Committee members wishing reimbursement for their travel expenses should send their receipts and a signed F-5 form to Bill Jeffers for processing.

Meeting Adjourned at 2:30pm

Incumbent Worker Steering Committee – October 7, 1999

Meeting Objective

* Provide input for staff's development of the Strategic Plan for Incumbent Worker Training for the State.

Outcome: Draft will be sent to each of you for comment and review. The Commissioners will finalize the plan.

- 1 Workforce 101 - What's going well?**
- 2 Workforce 101 - What's not going well?**
- 3 Problems Faced by Employers and Prioritization**
- 4 Problems Faced by Employees and Prioritization**
- 5 Vision Elements and Prioritization**
- 6 Mission Initiative Elements and Prioritization**
- 7 Goal Elements and Prioritization**
- 8 Objectives**
- 9 Session Evaluation Survey**



Workforce 101 - What's going well? (Categorizer)

Having heard the overview of the present state of the workforce system, in your opinion, what's working well?

- 1. Staff at the various agencies are dedicated to deliver a great product.**
- 2. The major players/participants have been identified.**
- 3. Coordination with local community colleges in assisting with grants.**
- 4. The funding is available for people who want to come into the workforce.**
- 5. it provides money to train workers**
- 6. The Community College involvement in training**
- 7. the public private collaboration that we see now between various state agencies and private employers**
- 8. Skills Development Fund grants**
- 9. All current state programs are focused and serving the incumbent worker community**
- 10. The local Workforce Dev. Boards have successfully begun to consolidate funding streams.**
- 11. The current initiatives are directly connected to employer input.**
- 12. There are a variety of sources for funding.**
- 13. Chambers of Commerce getting heavily involved with the state in working the issue**
- 14. The coordination of a variety of agencies and systems**
- 15. There are a variety of trainers.**
- 16. Community Colleges have done much in reinventing their roles. i.e. partnerships with industry and with each other**
- 17. coordination/meetings between the many different entities**
- 18. Lines of coordination have been identified.**
- 19. employer training works well in certain situations**
- 20. One Stop has been a great success**
- 21. Flexibility.**
- 22. There appears to be growing support for the concept of incumbent worker training.**
- 23. Intra-active cooperation between business and government which was non-existent in the past.**
- 24. Unemployment is low in some areas, but not in border areas or economically depressed areas.**
- 25. The state is beginning to recognize the fact that there's a void in communication between the state's goals and the needs of employers.**
- 26. Customized training through the community college system**
- 27. the employers have a voice in the system**
- 28. it funds programs to vendors to train unemployed workers to add skills that will give them an opportunity to get a job.**
- 29. Input from employers into "government" programs; need and want more**
- 30. Training entities - both public and private are being forced to compete which encourages effectiveness.**
- 31. Community college flexibility**
- 32. We have already seen of reduction of duplicate training programs.**

- 33. State flexibility in funding as opposed to federal dictation**
- 34. The fact that the state has given local boards greater latitude in providing training to meet local needs.**
- 35. Integration of all facets of the business environment, government agencies, local chambers, and industry to create a system that will hopefully address current and future economic needs for the state from a competitive standpoint.**
- 36. technological advances in training**
- 37. Local TWC offices are providing great resources to displaced/laid off workers. i.e. training in career transition as well as career counselors**
- 38. Unemployed people do not have to wait to complete training programs before earning income when training is provided in the workplace.**
- 39. training seems to have moved beyond beauty schools and welders**
- 40. One-stops are beginning to work in concert - in collaboration.**
- 41. Employers are taking a more active role**
- 42. Employers and gov'n't staff are striving to improve the initiative and expand the participant roles**
- 43. a system is identified**
- 44. Best ideas are being shared between one-stops and Boards**
- 45. TWC Offices have taken leadership in organizing Job Fair events with employers/workers.**
- 46. information about the programs is being made know in areas not addressed before**
- 47. businesses can utilize the workforce boards to develop specific training and job placement that is vital to their industry**



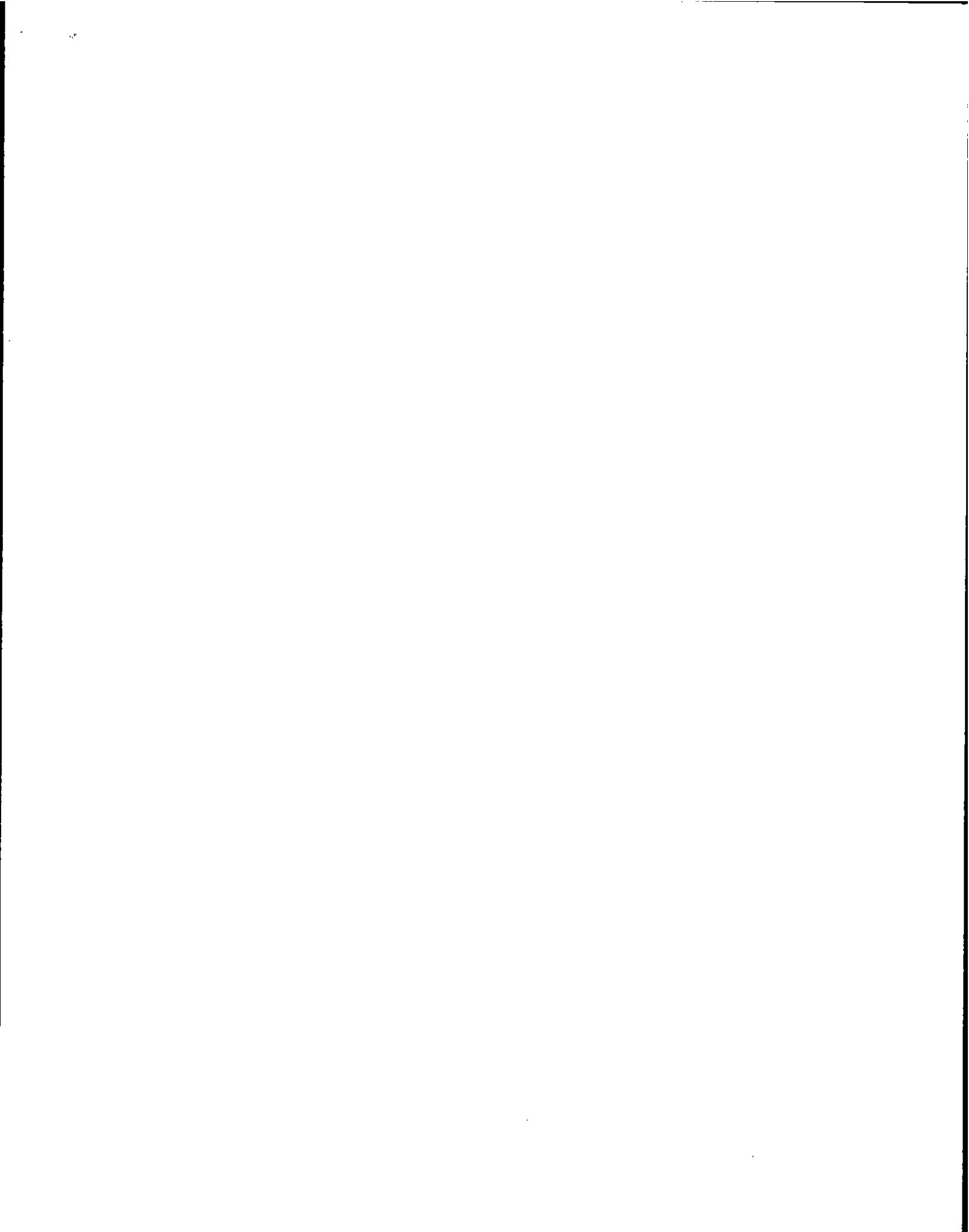
Workforce 101 - What's not going well? (Categorizer)

In the present state, what's not working well?

- 1. Lack of accountability in various levels of the system**
- 2. Continued micromanagement at the state level of local boards**
- 3. politics getting involved**
- 4. unemployment still high in many depressed areas**
- 5. The bureaucratic process to obtain monies is still much too large and confusing.**
- 6. employees do not have an adequate voice in the system**
- 7. There seems to be little help for businesses whose entry level positions are very unskilled.**
- 8. Business is often unaware of the availability of programs.**
- 9. Potential customers are not aware of options**
- 10. We really do not have a system yet.**
- 11. lack of flexibility at the local level**
- 12. There is still fragmentation and a lack of organized direction for the incumbent worker initiative.**
- 13. Understanding of how the Work Force Development System is organized**
- 14. statutory requirements may prohibit some employers from participating in programs**
- 15. not enough information about programs disseminated in rural areas**
- 16. a systematic approach to evaluation**
- 17. workers need increased input**
- 18. There is a real void in marketing what is available.**
- 19. services to dislocated workers are often substandard**
- 20. How to ensure training organizations are skilled enough to provide adequate skills needed.**
- 21. an overemphasis on welfare recipients and less focus on the development of a total workforce system**
- 22. Although we need to market, we must be careful not to market until we are ready.**
- 23. many of the programs lack sufficient funding because the money stream is not consistent/school to careers for instance**
- 24. Lack of role definition between agencies**
- 25. Bureaucratic language puts off employers thus cutting off communication**
- 26. Though a system has been identified, it is too complicated for most to understand.**
- 27. Programs should be developed which will assist certain employers to take unskilled workers to new heights, such ESL .**
- 28. Communication between all programs is fragmented and in some cases non-existent**
- 29. the politics of welfare reform have often overshadowed the legitimate needs of employers and employees**
- 30. Access to some of the opportunities to business is difficult at best.**
- 31. There should be a greater concentration of funding and resources in areas with high unemployment.**
- 32. How does one access the system?**
- 33. Employers are still dissatisfied with the current system.**
- 34. incorporate more apprenticeship programs and concepts into system**
- 35. Lack of understanding by training providers of employers skill needs**

36. Emphasis on communicating career information to students in secondary schools so that they can make informed career choices early on.
37. not enough effort to achieve real collaboration of stakeholders
38. Lack of marketing of programs to small, rural communities.
39. Basic skills are missing as well as more advanced skills.
40. NAFTA affected workers skill levels are often low and it has been difficult to get the basic skills upgraded enough to teach higher tech skills.
41. public education not producing basic education skills to provide employees who are trainable
42. Need to assist non-tech firms whose needs are more traditional and lower on the labor scale.
43. The opportunities for training have not been marketed/publicized to the general population.
44. Education providers need to better understand the needs of industry.
45. Too many things to coordinate between state agencies, colleges, etc.
46. Real needs of employers, i.e. showing up to work, showing up on time, staying all day, etc not addressed in a clear enough way
47. The state and local business leaders should interface with the Economic Development Boards to better plan for the needs of the business community.
48. Lack of understanding of employers and community colleges as to how to communicate regarding training needs to ensure relevance - skill standards
49. Across agency marketing of programs requires improvement
50. lack of attention to the real needs of employers. continued focus on outdated models of service delivery
51. Still need more coordination between all the entities on the daunting chart
52. new workers cannot get child care for their children that they can afford because federally funded child care can only provide that service to 5% of the workers
53. adult literacy programs have lost support of community, whereas at one time, they received lots of support
54. The communication in how to reach some of the training resources is still very poor.
55. Workplace training and public school preparation is not well connected placing increased burden on employers.
56. An education is required for anyone who wants to participate and improve the system -- i.e.; understanding the current complex system.
57. One stop centers are not prepared to address all programs available to a business.
58. child care needs are still not adequately addressed
59. There is extreme competition for the same people with many industries having many jobs. It becomes very confusing to individuals trying to figure out what choice to make.
60. Resistance to change
61. Too much government attention on welfare population, not enough on incumbent or unemployed worker
62. workers' ability to earn higher wages limited low skills
63. Lack of coordination with all levels of educational system (primary, secondary)
64. The system is linear and does not provide for evaluation and improvement.
65. Most employers in thee state are unfamiliar with or afraid of finding out about the state's opportunity - a marketing problem.

66. There needs to be more "career development" activities in secondary schools.
67. work first emphasis of many programs is leaving many without the means to achieve economic independence
68. Too many low wage jobs.
69. Not enough employer input into state programs.
70. there is no reliable survey of industry needs of potential jobs available
71. Terminal uniqueness - that is, we must invent rather than learning from the experience of others
72. employers need to recognize that training is on-going process, not one-time event, esp. technology training
73. The cost of administering and obtaining training funds is too large a part of the monies available.
74. An accountability system has not been put in place.
75. The need for bringing in more business to the economically depressed areas.
76. Higher education participation lacking
77. Duplication of efforts in constructing training programs
78. More consideration to assistance for companies with very low entry level wages is needed.
79. not enough employers know that workforce boards exist
80. Processes may be deemed as difficult therefore "bureaucratic"
81. Career paths are changing so fast that it is hard to plan around.
82. Small business is reluctant to get involved with "government " programs
83. Basic skills are missing in our education system.
84. still training people for poverty
85. Small employers are at a disadvantage to access training resources.
86. Model programs are not publicized.
87. Partnerships between Technology elements in secondary schools and community needs to happen.
88. Incrementalism in decision and policy making
89. No known system of evaluating in a formalized way all sources, i.e. trainers, administrative agencies, schools, etc.
90. There is not a good source of data to use to predict our future.
91. lack of accountability of those being trained
92. Technology is moving faster than our workforce system
93. Process of grant application / availability is a mystery.
94. Employers need help in training in basic life skills
95. Our thinking about a workforce system is not geared toward merging industries.
96. Basic Skills (Reading and Arithmetic) continue to be basic limitations.
97. committee on disabled workers is, for all practical purposes, dormant.



Problems Faced by Employers (Categorizer)

What are the problems being faced by employers in the training of currently employed workers?

1. Productivity down time when employees are in training.

Finding time in the work day to provide training. {#6}

Finding the time to train employees on the job {#12}

Small business has a difficult time letting people off their jobs to be trained...time {#17}

Employers are not able to release current employees to go to training due to current work loads. {#11}

Keeping productivity and providing training. {#18}

Workload does not permit {#8}

2. small business hardly has time for training

3. The training cannot keep up with the demands of business.

The dynamic nature of business, trying to keep workers trained adequately {#25}

Needed training is not always available when needed {#43}

4. varied skill levels

5. Costs

Finding funding to provide adequate training {#46}

cost of training {#47}

costs of developing in house training programs - no industry sector leverage {#29}

Costs to include not only materials, instructor time, and time to replace workers. {#26}

Many employers cannot or do not want to face the fact that a large amount of the business budget needs to be allocated for enhancing their workforce in all areas. {#38}

6. Return on investment

how training fits into the bottom line {#40}

7. Finding the resources for training.

many employers do not know training money is available {#52}

8. Accessibility to relevant training

Access to technology to be competitive in the marketplace. {#16}

Unavailability of community colleges in rural areas {#19}

hispanic employees need trainers who are bilingual {#36}

Finding the appropriate training at a reasonable cost. {#20}

Not aware of the different delivery methods of training. {#34}

9. motivating employees for need to upgrade their skills

Employees do not see value. (do not think of future) {#21}

inability to see employees as partners in the process at times {#48}

Employers not doing an adequate job in educating their employees in the importance of training. {#59}

10. Skills needs assessment

may not know what training needs are {#54}

11. quality of product delivered by the educational system at all levels

Training not specific enough {#51}

no industrywide certification process -- not state mandated. {#33}

Difficulty in communicating training (skill and knowledge) needs to providers {#37}

the employees have a lack of an educational background {#22}

Basic skills lacking {#5}

Integrating basic skills with training. {#39}

Assume all employees can be trained through the same delivery system. {#41}

training that is too specific so as to limit its transferability {#42}

12. Don't have an established career ladder for employees, and have difficulty disseminating or writing a training plan that will have positive results for both the employer and employee

Lack of defined career paths {#31}

Employers do not have the next level jobs for those who get trained to move into. {#55}

13. Mobile labor force -- too many other jobs available a good and bad thing

Training to current workers could cause employees to change employers unexpectedly. {#56}

Job hopping because labor market is so strong for employees {#60}

Educating small business owners in the importance of employee retention {#64}

14. The issue that a "credential" from one provider to another often means different skills possessed by learners

15. lack of awareness of older workers

lack of training to integrate retired workers back into workforce {#53}

16. how motivated employees can identify themselves to employer

17. Lack of awareness of potentials and needs of people with disabilities

Prioritized Problems Faced by Employers (Vote)

Voting Results

1 = Lowest on scale

5 = Highest on scale (MOST) (Allow bypass)

Number of ballot items: 17

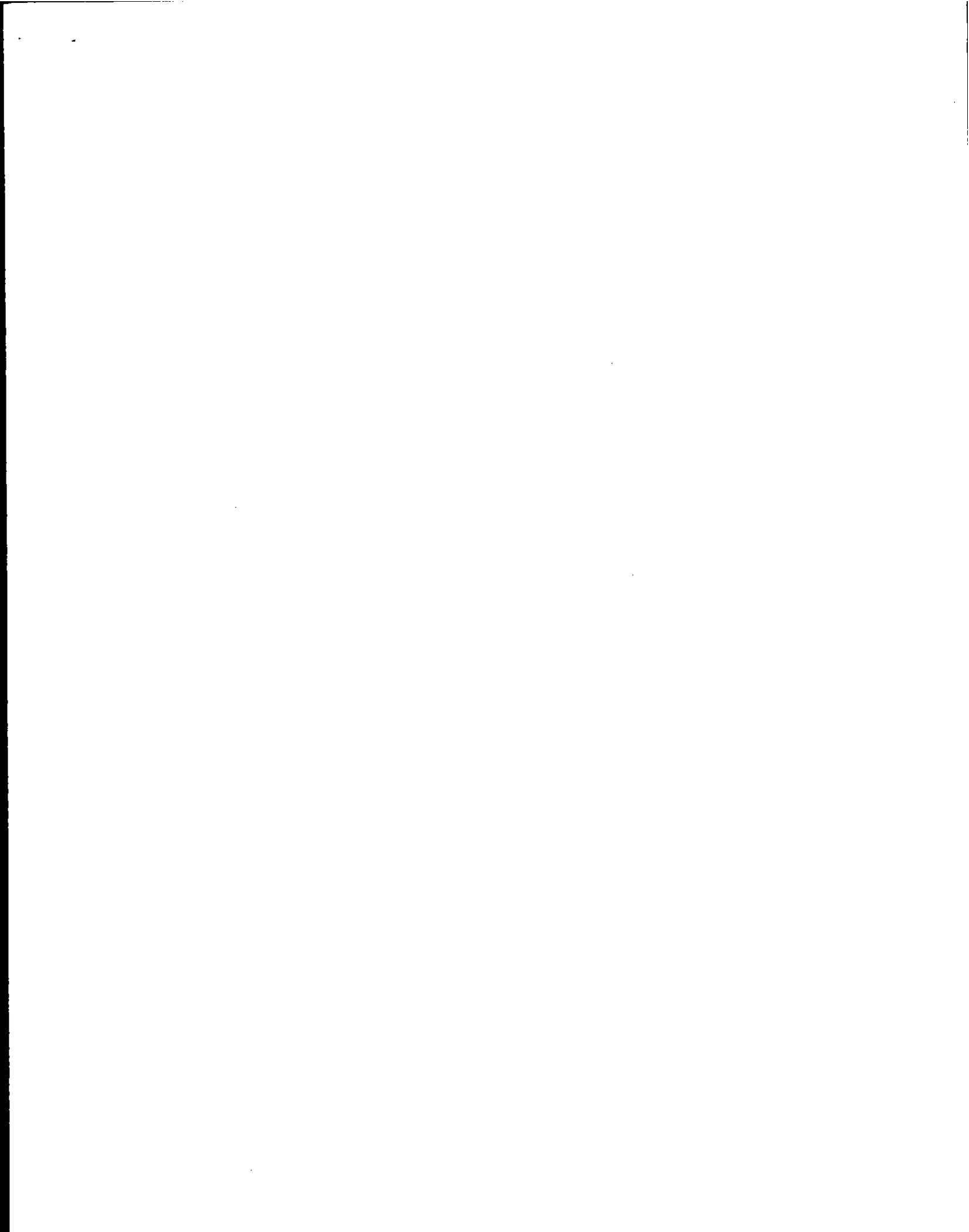
Total number of voters (N): 15

Mean

| | |
|------|--|
| 4.64 | 1. quality of product delivered by the educational system at all levels |
| 4.07 | 2. Costs |
| 4.07 | 3. Productivity down time when employees are in training. |
| 3.79 | 4. Return on investment |
| 3.71 | 5. Finding the resources for training. |
| 3.64 | 6. Skills needs assessment |
| 3.43 | 7. Accessibility to relevant training |
| 3.14 | 8. The training cannot keep up with the demands of business. |
| 3.14 | 9. Dont have an established career ladder for employees, and have difficulty disseminating or writing a training plan that will have positive results for both the employer and employee |
| 2.79 | 10. small business hardly has time for training |
| 2.79 | 11. Mobile labor force -- too many other jobs available - a good and bad thing |
| 2.71 | 12. Lack of awareness of potentials and needs of people with disabilities |
| 2.69 | 13. motivating employees for need to upgrade their skills |
| 2.50 | 14. varied skill levels |
| 2.36 | 15. The issue that a "credential" from one provider to another often means different skills possessed by learners |
| 2.21 | 16. lack of awareness of older workers |
| 2.14 | 17. how motivated employees can identify themselves to employer |

Number of Votes in Each Rating

| | 1 (1) | 2 (2) | 3 (3) | 4 (4) | 5 (5) | Total | STD | n |
|---|-------|-------|-------|-------|-------|-------|------|----|
| 1. quality of product delivered by the educational system | 0 | 0 | 2 | 1 | 11 | 65 | 0.74 | 14 |
| 2. Costs | 0 | 1 | 4 | 2 | 7 | 57 | 1.07 | 14 |
| 3. Productivity down time when employees are in training. | 1 | 0 | 3 | 3 | 7 | 57 | 1.21 | 14 |
| 4. Return on investment | 1 | 2 | 2 | 3 | 6 | 53 | 1.37 | 14 |
| 5. Finding the resources for training. | 0 | 2 | 3 | 6 | 3 | 52 | 0.99 | 14 |
| 6. Skills needs assessment | 1 | 4 | 4 | 4 | 51 | 1.22 | 14 | 14 |
| 7. Accessibility to relevant training | 1 | 3 | 1 | 7 | 2 | 48 | 1.22 | 14 |
| 8. The training cannot keep up with the demands of business. | 1 | 4 | 3 | 4 | 2 | 44 | 1.23 | 14 |
| 9. Don't have an established career ladder for employees, and h | 3 | 0 | 4 | 6 | 1 | 44 | 1.29 | 14 |
| 10. small business hardly has time for training | 2 | 5 | 3 | 2 | 2 | 39 | 1.31 | 14 |
| 11. Mobile labor force -- too many other jobs available -a good | 4 | 2 | 3 | 3 | 2 | 39 | 1.48 | 14 |
| 12. Lack of awareness of potentials and needs of people with disabilities | 1 | 5 | 5 | 3 | 0 | 38 | 0.91 | 14 |
| 13. motivating employees for need to upgrade their skills | 2 | 3 | 5 | 3 | 0 | 35 | 1.03 | 13 |
| 14. varied skill levels | 1 | 8 | 2 | 3 | 0 | 35 | 0.94 | 14 |
| 15. The issue that a "credential" from one provider to another | 2 | 8 | 1 | 3 | 0 | 33 | 1.01 | 14 |
| 16. lack of awareness of older workers | 3 | 6 | 4 | 1 | 0 | 31 | 0.89 | 14 |
| 17. how motivated employees can identify themselves to employer | 5 | 5 | 2 | 1 | 1 | 30 | 1.23 | 14 |



Problems Faced by Employees (Categorizer)

What are the problems being faced by employees in obtaining training through their employers?

1. not offered or available

- Lack of availability {#4}
- additional training is not available in their employment {#12}
- availability of training {#20}
- Knowledge of available training {#14}
- Not advised at time of hiring about the training options available {#18}
- no knowledge of how available training will them {#21}
- not given option to attend training made available to other employees {#26}

2. Fear that the results of an assessment will be used against them

- Fear of identifying skill or educational deficiency. {#8}
- afraid to approach employer or reveal individual training needs {#16}
- Employer thinking that an educated workforce is too hard to control/direct {#25}
- possible resentment by fellow employees {#30}
- basic skill preparation {#33}
- may not be able to learn through certain offered delivery methods {#34}
- Having basic skills deficiencies that have to be made up before starting. {#47}
- employees fear failure of training {#49}

3. Tuition reimbursement plans being cut for budgetary reasons

- Resources to cover cost of training not provided by the employer {#28}

4. support for training

- support at all levels (home, work) {#15}
- Not enough support for childcare to be able to access (especially if after hours) {#11}
- Support of supervisors in taking classes / training that does not have immediate relevance in present job activity {#27}
- Feeling that the employer will look negatively at anything that takes them away from their primary duty {#35}

5. Lack of training resources needed to do adequate training.

6. employers fear as perceived by the employee that a trained worker will take skills elsewhere

- Employers reluctant to provide training for fear that employee will leave {#36}

7. traditional forms of education/training are not conducive to today's time demands of workers

- Working more hours with less people make "off" hours training unattractive {#19}
- Not enough time between home and work for training and getting the job done adequately. {#5}
- Release time from job to do training {#23}
- Work shift times that permits taking classes at community colleges {#17}
- training and education programs are not convenient for off hours learning {#29}
- Having enough time with their personal life to take classes outside work hours. {#37}
- Training not available at times when employee can easily access due to other conflicting needs {#38}

skill demands of jobs are imbedded in courses requiring too much seat time to obtain
{#40}

distance to testing facilities for certification inhibits employee motivation to obtain
enhanced skills {#42}

8. Employers inability to understand the ROI in employee training.

unwillingness of employers to pay for new skills acquired, i.e. raises for training {#31}

Questions about investment of time into training with the down-sizing and layoffs
occurring in the marketplace. {#32}

Feeling that the employer will look negatively at anything that takes them away from
their

primary duty {#48}

Employer viewing them as replaceable units of production rather than as investment
{#43}

9. career development and knowledge of skill standards for various careers

portability of skills {#44}

are unaware of what value continued learning will have for them.. ie. possibility of career
path, promotion.... {#45}

the lack of commonly accepted skill standards makes it hard for employees to judge
which course to take {#46}

Employer has not identified job skill sets - therefore training may not achieved outcomes
which increase effectiveness on the job {#41}

lack of career path system (ladders) {#50}

Prioritized Employee Problems (Vote)

Voting Results

Rank Order (Allow bypass)

Number of ballot items: 9

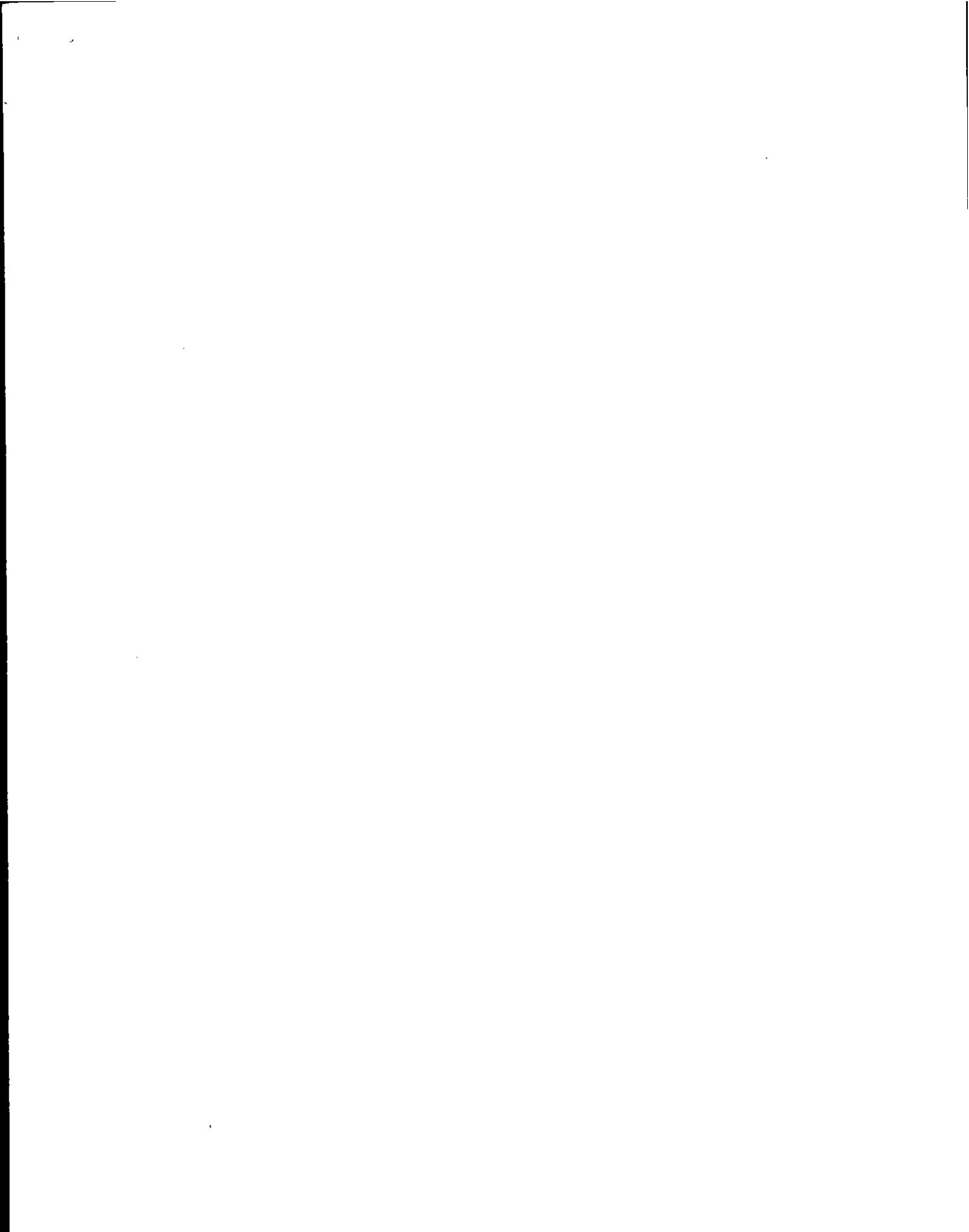
Total number of voters (N): 14

Rank Sum

| | |
|----|---|
| 98 | 1. support for training |
| 91 | 2. traditional forms of education/training are not conducive to today's time demands of workers |
| 88 | 3. not offered or available |
| 79 | 4. career development and knowledge of skill standards for various careers |
| 72 | 5. Lack of training resources needed to do adequate training. |
| 65 | 6. Fear that the results of an assessment will be used against them |
| 53 | 7. Tuition reimbursement plans being cut for budgetary reasons |
| 45 | 8. Employers inability to understand the ROI in employee training. |
| 39 | 9. employers fear as perceived by the employee that a trained worker will take skills elsewhere |

| | Number of Votes in Each Rating | | | | | | | | | Mean | STD | n |
|---|--------------------------------|---|---|---|---|---|---|---|---|------|------|----|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | | |
| 1. support for training | 3 | 4 | 2 | 1 | 3 | 1 | 0 | 0 | 0 | 3.00 | 1.71 | 14 |
| 2. traditional forms of education/training are not conducive to t | 3 | 3 | 2 | 2 | 0 | 2 | 2 | 0 | 0 | 3.50 | 2.21 | 14 |
| 3. not offered or available | 4 | 0 | 1 | 3 | 5 | 0 | 0 | 1 | 0 | 3.71 | 2.09 | 14 |
| 4. career development and knowledge of skill standards for vari | 2 | 2 | 2 | 2 | 0 | 1 | 5 | 0 | 0 | 4.36 | 2.41 | 14 |
| 5. Lack of training resources needed to do adequate training. | 1 | 2 | 2 | 0 | 2 | 4 | 1 | 2 | 0 | 4.86 | 2.28 | 14 |
| 6. Fear that the results of an assessment will be used against | 1 | 1 | 3 | 2 | 1 | 0 | 1 | 2 | 3 | 5.36 | 2.87 | 14 |
| 7. Tuition reimbursement plans being cut for budgetary reasons | 0 | 1 | 2 | 0 | 1 | 2 | 4 | 2 | 2 | 6.21 | 2.22 | 14 |
| 8. Employers inability to understand the ROI in employee traini | 0 | 1 | 0 | 3 | 0 | 1 | 1 | 4 | 4 | 6.79 | 2.36 | 14 |
| 9. employers fear as perceived by the employee that a trained w | 0 | 0 | 0 | 1 | 2 | 3 | 0 | 3 | 5 | 7.21 | 1.81 | 14 |

Group consensus (1.00 = most consensus): 0.30



Vision Elements (Categorizer)

One SEES vision: they picture what we ultimately choose to believe. It answers the question, "Where are we going?"

- * is created by speaking**
- * forms mental image of future to which people can align**
- * describes something possible, not necessarily predictable**
- * generates power and energy**
- * provides direction and focus**
- * pulls people who hold it, toward it**

It's five years in the future - 2004. The State of Texas has implemented an elegant solution to the problems described above -- "call it the Incumbent Worker Training Solution". What are the elements of this training solution? What does it look like?

1. A direct connection between the educational curriculum and the needs of business

This reinforces employer driven. {#18}

On going communication between educational institutions and the business sector become commonplace and expected. {#19}

Since this is a problem that has been identified over the years, it seems imperative that we begin here. Relevance in the educational system at all levels will be key. How else can we impact the problems of apathy, drop-out and poor school performance? This will require that the curriculum be enhanced to show to students at various levels the relevance of the subject at hand.

There should also be a great deal more "partnering" between business and schools. Take the "adopt-a-school" approach to a higher level. {#32}

Definite need ... Process needs to be quick and uniformly done so the educational system does not get into the "flavor of the month" approach {#33}

This is desirable because the education community and the business world would actually talk about what the employers wanted. This point is relevant for all areas of education, from high school through college. {#53}

2. The fragmented pieces have organized into a system

Yes. Nothing will be strategic unless it is organized into a system. {#20}

Defining roles, relationships and accountabilities are required to link the elements of a disparate (and often confusing) system. {#44}

The system cannot be bureaucratic ... most be oriented with the "customers" being the employee and the incumbent worker. {#45}

3. Employer driven, state/federally funded, incumbent worker training program.

Some key words to be used in the vision statement. {#21}

Yea, employer driven. {#22}

Defines where we need to be and only the employer truly is aware of their particular needs. {#31}

4. Easy access to funding and resources for incumbent worker training.

Ease of access is important. {#24}

Ease of access to all sizes of employers is critical to the development of a comprehensive system. {#25}

The employer has a limited number of sources available for training funds and the access to these funds is relatively simple. A very strong communications link between the state, educational institutions and private industry so that each party is aware of the resources available to meet their training needs. {#37}

5. working people's lifelong learning opportunities are only limited by their own imagination and goals

Good vision from the worker's perspective. {#26}

This is a very compelling statement and a desirable end in mind. {#28}

the better workers are trained and retrained with usable skills helps each employee advance and provides a more skillful workforce for the employer. {#29}

A key element in the vision statement for including not only the employer but the employee expectations are well. {#35}

Self motivation combined with available resources will benefit workers personally and the communities in which they live will benefit economically. {#41}

Linked to career paths and seamless articulation {#57, b}

6. employers have the resources available to train any/every employee to better do their job

the resources are easily accessed, neither distance nor size of employer are barriers to developing incumbent worker training programs. Technology is used to provide training that is cost beneficial to the employers, employees and the state.

Resources are used for both increasing basic skills as well as specific skills. {#52}

7. Easy access for the customer.

This item is inclusive and focuses on both the employer and the employee--access for both. {#23}

Easy access for the individual who needs training also implies that individuals understand future workforce requirements. {#38}

Access must include not only access to the "system" but also to the training through the use of flexible methodologies to deliver training, including on-the-job training and assessment (as found in formal apprenticeship programs). {#51}

8. Relevant training is driven by identified industry needs (and communicated to providers through occupational skill standards)

Employer driven is important. {#30}

The strength is in the word relevant and the linkage to "identified" needs. Historically, many training programs have been a best guess at content, often falling below the skill/performance benchmarks required by industry. Skill standards provide a mechanism

for communicating needs, incorporating them into technical and community college curricula through relevant content, and creating meaningful credentialing arrangements. {#36}

Training that is provided through state and federal funds should always be tied to future high wage positions. {#43}

Employers must provide the direction needed to clearly identify skill needs for the community colleges and other trainers to provide relevant training. {#47}

Key in defining standards to ensure that quality of training included in the overall package is tied directly to the needs of industry. {#50}

9. Incumbent worker training is a part of the workplace. Employees go to training classes, that have become a part of what is expected by employers.

Training becomes part of the employees expected job duties. On going enhancement of their skills and knowledge is a key ingredient in their job retention. {#48}

10. Single point of contact for training funding (i.e. I tell you what I need, intend to do, and it is granted)

This would lead to the abolition of that monstrous chart that was handed out earlier. This would make it easier for employers to access the training that is relevant to their specific business, and allow them to maintain their competitiveness in a global marketplace. {#40}

How glorious this would be. With a central location we would get that wider participation that is mentioned in another vision. {#49}

11. A program that is inclusive of every job classification in every sic so that any incumbent employee has the opportunity for improvement through training

because it would create certain incumbent training resources for those employers who wish to have incumbent worker training. The state would provide the training materials and standards, and could .. repeat could... be a part of some funding mechanism in partnership with the employer. {#39}

This statement assumes that individuals in the future do jobs, not assignments that make the employees work more virtual. {#56}

12. Just in time training so that when employer needs surface, there is a steady stream of highly talented individuals.

Ease of access is important. {#34}

Requires providers to work closely with employers to ensure readiness when technology changes require rapid response to training updates. {#46}

13. An easily accessible centralized locale for training funds for incumbent workers that would be available to all businesses (large, medium or small).

This removes the fragmentation of the program's availability to customers. {#27}

I would like to see training available to all businesses. Currently, small business is often left out of the loop due to problems getting the word out, making applications and rules flexible enough for the small company to be able to comply, and overcoming the idea that anything "free" from the government is a hand out. Larger businesses can hire people to

attempt to understand bureaucrats, but the small business owner is basically stuck out there by himself. {#42}

14. training provided to incumbent workers is consistent with the skills determined by the employers

15. worker would have clearly defined process and tools in how to figure out what career they choose and what training is available to get them there

there needs to be a way to showcase jobs, skill requirements, and training resources available to for the incumbent worker to be able to make an informed decision. {#54}

While some labor market information exists to help here and some educational institutions provide this, shouldn't the incumbent worker program, too? {#55}

Prioritization of Vision Elements (Vote)

Voting Results

1 = Lowest on scale

5 = Highest on scale (MOST) (Allow bypass)

Number of ballot items: 15

Total number of voters (N): 14

Mean

- | | |
|------|--|
| 4.36 | 1. A direct connection between the educational curriculum and the needs of business |
| 4.21 | 2. An easily accessible centralized locale for training funds for incumbent workers that would be available to all businesses (large, medium or small). |
| 4.07 | 3. The fragmented pieces have organized into a system |
| 4.00 | 4. Employer driven, state/federally funded, incumbent worker training program. |
| 4.00 | 5. Easy access for the customer. |
| 3.93 | 6. Single point of contact for training funding (i.e. I tell you what I need, intend to do, and it is granted) |
| 3.93 | 7. training provided to incumbent workers is consistent with the skills determined by the employers |
| 3.79 | 8. Easy access to funding and resources for incumbent worker training. |
| 3.79 | 9. Relevant training is driven by identified industry needs (and communicated to providers through occupational skill standards) |
| 3.71 | 10. working people's lifelong learning opportunities are only limited by their own imagination and goals |
| 3.64 | 11. employers have the resources available to train any/every employee to better do their job |
| 3.29 | 12. Incumbent worker training is a part of the workplace. Employees go to training classes, that have become a part of what is expected by employers. |
| 3.21 | 13. Just in time training so that when employer needs surface, there is a steady stream of highly talented individuals. |
| 3.14 | 14. worker would have clearly defined process and tools in how to figure out what career they choose and what training is available to get them there |
| 2.86 | 15. A program that is inclusive of every job classification in every sic so that any incumbent employee has the opportunity for improvement through training |

Number of Votes in Each Rating

| | 1 (1) | 2 (2) | 3 (3) | 4 (4) | 5 (5) | Total | STD | n |
|--|-------|-------|-------|-------|-------|-------|------|----|
| 1. A direct connection between the educational curriculum and t | 0 | 1 | 1 | 4 | 8 | 61 | 0.93 | 14 |
| 2. An easily accessible centralized locale for training funds f | 0 | 1 | 2 | 4 | 7 | 59 | 0.97 | 14 |
| 3. The fragmented pieces have organized into a system | 0 | 2 | 3 | 1 | 8 | 57 | 1.21 | 14 |
| 4. Employer driven, state/federally funded, incumbent worker tr | 0 | 1 | 3 | 5 | 5 | 56 | 0.96 | 14 |
| 5. Easy access for the customer. | 1 | 0 | 2 | 6 | 5 | 56 | 1.11 | 14 |
| 6. Single point of contact for training funding (i.e. I tell yo | 0 | 1 | 4 | 4 | 5 | 55 | 1.00 | 14 |
| 7. training provided to incumbent workers is consistent with th | 0 | 2 | 1 | 7 | 4 | 55 | 1.00 | 14 |
| 8. Easy access to funding and resources for incumbent worker tr | 0 | 0 | 5 | 7 | 2 | 53 | 0.70 | 14 |
| 9. Relevant training is driven by identified industry needs (an | 0 | 1 | 5 | 4 | 4 | 53 | 0.97 | 14 |
| 10. working people's lifelong learning opportunities are only li | 1 | 1 | 3 | 5 | 4 | 52 | 1.20 | 14 |
| 11. employers have the resources available to train any/every em | 0 | 2 | 4 | 5 | 3 | 51 | 1.01 | 14 |
| 12. Incumbent worker training is a part of the workplace. Emplo | 1 | 2 | 4 | 6 | 1 | 46 | 1.07 | 14 |
| 13. Just in time training so that when employer needs surface, t | 1 | 1 | 7 | 4 | 1 | 45 | 0.97 | 14 |
| 14. worker would have clearly defined process and tools in how t | 1 | 2 | 6 | 4 | 1 | 44 | 1.03 | 14 |
| 15. A program that is inclusive of every job classification in e | 2 | 4 | 5 | 0 | 3 | 40 | 1.35 | 14 |



Mission Initiative Elements (Categorizer)

Mission:

- * states the business reason for the organization existence**
- * does not state an outcome**
- * contains no time limit or measurement**
- * provides basis for decisions on resource allocation and appropriate objectives**

A mission states the business reason for the organization (or initiative) existence. What role should TWC play in order to make the Ideal Incumbent Worker Training Solution a reality? (for TWC itself, TWC in relation to other entities, businesses, etc.)

1. TWC should share best practices across the state to encourage creative ideas for incumbent training programs.

Always. Share ideas and then customize. {#21, b}

To make the most efficient and effective system possible, best practices should be shared and used to develop the overall system. {#24, a}

Promoting best practices is important for an emerging strategy and should be a part of a larger mission. {#25, b}

Communicate those programs that have been successful and those that have not will improve all programs. {#27, a}

Agree and provide the LWB with responsibility to promote best practices. {#30, b}

2. It should serve as a clearinghouse/conduit for ideas and funds. The role should be limited to providing funding and suggestions related to best practices. SIMPLIFY.

In order to provide information on best practices, TWC should be able to evaluate incumbent worker programs. {#19, a}

IF TWC serves ONLY as a clearinghouse for ideas, who will be responsible for administering the funding function? {#26, a}

The current problem is that too much of what is available today is micromanaged by this agency or that one. By limiting TWC to a role of funding training, you will get the necessary employer buy-in. Otherwise, the strings that accompany LWDB money will follow any incumbent worker training money. {#34, a}

Funding could be distributed through TWC to appropriate programs that perform the functions necessary to ensure a successful incumbent worker training program. {#44, b}

By acting as a clearing house and providing funding, TWC would have to have a process of accountability--evaluation. {#45, b}

Evaluation by TWC turns into a nightmare. These evaluations should be perhaps be done by peer or business review {#58, a}

To provide understandable guidelines, and regulations regarding funding and criterion for participation in this program. {#11, a}

The incumbent worker program must be explained or marketed in plain language with simple instructions that regular folks can understand. {#38, a}

If you don't have this, it will scare people away. Just do it. {#39, b}
Imperative, especially for small private business owners. The thought of scaling the Mount Everest of state paperwork is very real. {#50, a}
Concentration here is on understandable - KISS method will work wonders! {#54, a}
Guidelines should be simple, concise, and easy to understand. {#55, a}
Agree! {#66, b}

3. Empower the workforce development boards to provide incumbent worker training and provide the LWB with information on best practices.

Each board should insure that performance measures are developed and closely monitored to ensure good stewardship of state resources. {#28, a}
Good idea. The more local, the better {#31, a}
Good but guidelines would be necessary from the TWC to assist with the consistency of this process. {#33, a}
Positioning the boards to have a role within the incumbent worker training program is important for TWC to embrace. {#36, b}
The strength of a state-wide system will come from local control with evaluation and identification of best practices from the state level. {#52, b}
the lwb can then provide businesses in the area with the necessary information of the program and the best practices to achieve the best results, effective training of their workforce {#59, b}
Programs should not be under the "control" of a single entity. This could result in the programs outcomes being encumbered. Involve diverse programs/agencies in order to retain opportunity for new ideas and growth. {#62, b}

4. TWC should design the RFP process in such a way that regional differences (urban, rural, industry specific) can be accommodated while providing some sort of coordination at the State level.

Because there are regional differences, this is a key item to consider. {#35, a}
The RFP process should also be consistent with the direction of each LWB. {#43, a}
ensure that the application is one page max!!!! {#67, a}

5. it must inform all businesses (small, medium, and large) that the incumbent resources and program is available to them

marketing of the incumbent worker program is necessary to reach all employers. {#32, b}
Because of the newness of this program, marketing is important. {#40, b}
Let's add that this marketing must be targeted to all different kinds of businesses, not just the latest ones with the prettiest faces. {#41, a}
Key to success in any endeavor is communication!!! {#42, a}
getting the word out to small employers will be the critical part of this as better than 80% of the workforce is employed by small business. this furthers the need for also informing them of the ease with which they can apply for and receive training dollars. {#60, a}
Marketing is critical to the success of the program. However. marketing should have a local component. {#64, b}

6. Providing the training resources today for tomorrows' needs.

Hard to do, yet so important. The partnerships between education and business can help here. {#29, b}

The TWC can be one of the first agencies that an employer thinks of whenever they have training needs. {#37, a}

Clearly a must to have Texas remain nationally competitive. {#49, a}

7. agency will keep the incumbent worker training program from straying too far from the larger focus -- what is good for Texas' economy, what is good for working people, are the individual programs contributing to the public welfare?

You have to have someone looking at the big picture. {#46, b}

The TWC can work more closely with community workforce development boards and agencies so that they can meet local employer needs while also targeting prospective employers. {#48, a}

8. TWC should become the centralized locale for all incumbent worker training. In addition to that it must focus on all workers regardless of their job status (i.e. entry level, managerial, apprentice, etc)

The system that is developed must be a "workforce" system that does not discriminate against various levels of workers. The intake process can identify tracks for individuals to follow. Also, there should be some emphasis on identifying trends that will assist employers/workers in taking advantage of advancements/changes in their respective fields. {#47, a}

TWC should recognize the diversity of employer needs. Training should address not only basic skills but also specific skills identified by employers to allow them to be competitive. Training and learning is not a one time shot, it should be a life-long process that benefits employers, employees and society. {#56, a}

Incumbent worker training should take all workers into consideration to be a comprehensive system. {#65, a}

9. Develop and support partnerships throughout the workforce development system to create an incumbent workers training system that serves the needs of employers and workers.

To act as a intermediary between the providers of services and the business community to ensure the system is successful. {#8, a}

TWC should act as facilitator to all entities that would be involved in making this a reality. {#10, b}

TWC should facilitate, expedite the development of programs to ensure that workers have the skills employers need to be competitive in our economy. {#17, a}

Facilitate the definitions and formal linkages of system elements (including agency and program) to ensure the identification of industry training needs, the development and delivery of relevant training to address those needs. {#16, b}

Encourage / support school (community college, secondary schools) and industry partnership. {#4, a}

----- below this line are comments on main title: {#18}

All references under this header to facilitator and intermediary should be transferred to #3 {#22, b}

This role is critical in building a true "system" that encompasses multiple stakeholders
{#23, b}

This a key direction to take. Will encourage creativity & synergy of ideas and move
TWC away from a control and bureaucratic way of operating. {#51, a}

Because some many entities have pieces of this initiative, partnership support is
important within the context of promoting the formation of a system. {#53, b}

Got to do it. Wouldn't it be wonderful if all could participate in an exercise like ours
today? {#57, b}

TWC must launch an initiative that forces academia and industry to the table to review
what's needed. {#61, a}

Excellent opportunity to forge new relationships between community colleges and
industry!!! {#63, a}

The key is creating workable partnerships between all entities. {#68, a}

Prioritization of Mission Elements (Alternative Analysis)

Voting Results

A) Ballot

Method: Custom Method
Options: Allow Bypass
Descriptions: 1 = Lowest on scale
5 = Highest on scale (MOST)
Vote On: SubItems of Primary List
Primary List:
SubItems = 9
N: 14

B) Vote Spread

Sorted By Mean

Statistics (Mission Initiative Elements (C))

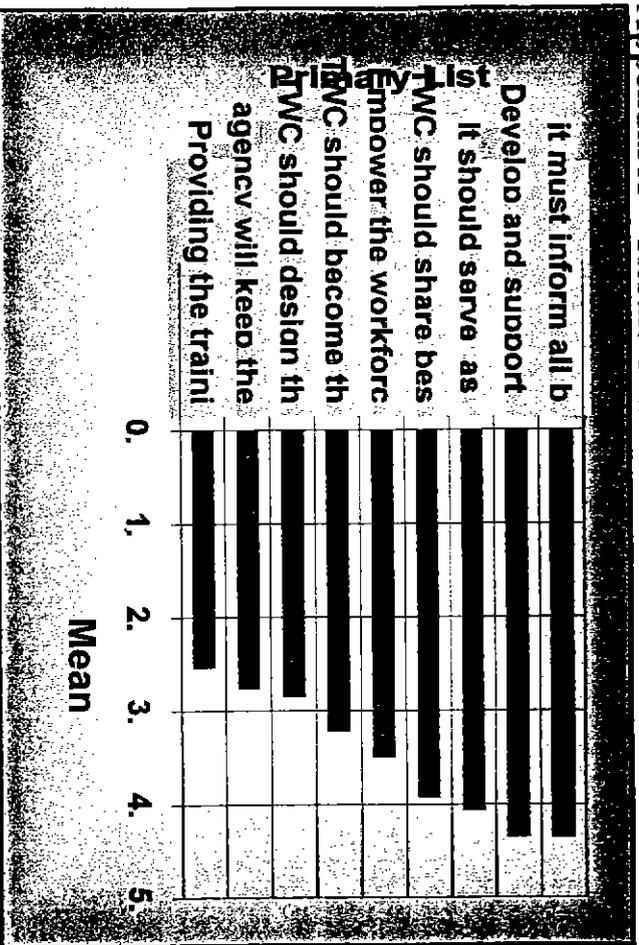
| | |
|--------------|----------------|
| <i>Total</i> | <i>31.59</i> |
| <i>Mean</i> | <i>4(3.51)</i> |
| <i>High</i> | <i>4</i> |
| <i>Low</i> | <i>3</i> |
| <i>STD</i> | <i>0.70</i> |
| <i>N</i> | <i>14</i> |

Mission Initiative Elements

(N = 14)

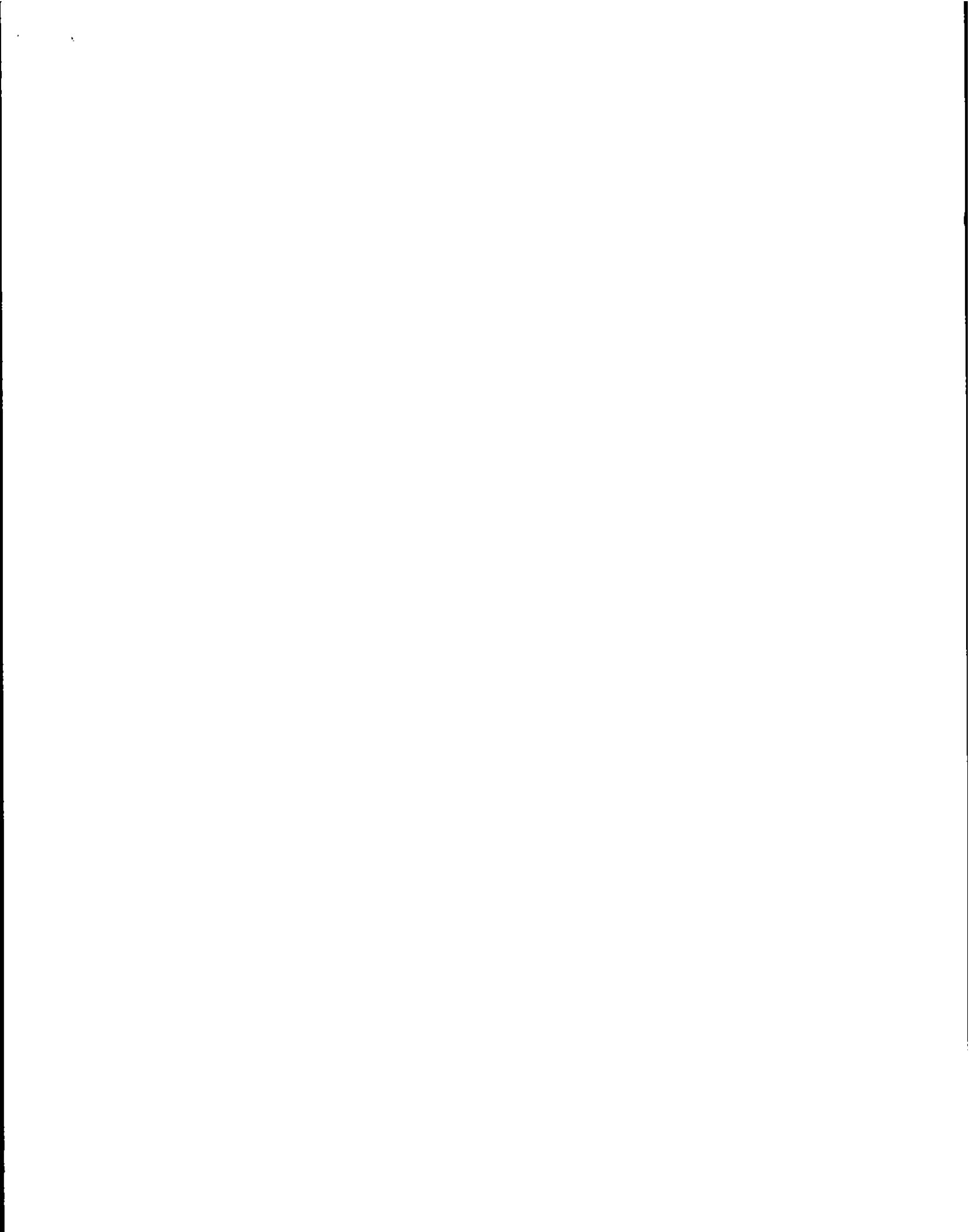
| Primary List | 1(1) | 2(2) | 3(3) | 4(4) | 5(5) | Total | Mean | Mode | High | Low | STD | n |
|--------------|--|------|------|------|------|-------|------|---------|------|-----|------|----|
| 1.1 | it must inform all businesses (small, medium, and | 0 | 0 | 4 | 1 | 9 | 61 | 4(4.36) | 5 | 3 | 0.93 | 14 |
| 1.2 | Develop and support partnerships throughout the wo | 0 | 1 | 2 | 2 | 9 | 61 | 4(4.36) | 5 | 2 | 1.01 | 14 |
| 1.3 | It should serve as a clearinghouse/conduit for id | 1 | 1 | 1 | 4 | 7 | 57 | 4(4.07) | 5 | 1 | 1.27 | 14 |
| 1.4 | TWC should share best practices across the state t | 0 | 0 | 5 | 5 | 4 | 55 | 4(3.93) | 5 | 3 | 0.83 | 14 |
| 1.5 | Empower the workforce development boards to provid | 3 | 0 | 2 | 5 | 4 | 49 | 4(3.50) | 4 | 1 | 1.51 | 14 |
| 1.6 | TWC should become the centralized locale for all I | 2 | 2 | 3 | 5 | 2 | 45 | 3(3.21) | 4 | 1 | 1.31 | 14 |
| 1.7 | TWC should design the RFP process in such a way th | 1 | 3 | 7 | 3 | 0 | 40 | 3(2.86) | 3 | 1 | 0.86 | 14 |
| 1.8 | agency will keep the incumbent worker training pro | 2 | 4 | 2 | 5 | 0 | 36 | 3(2.77) | 4 | 1 | 1.17 | 13 |
| 1.9 | Providing the training resources today for tomorro | 5 | 0 | 5 | 2 | 1 | 33 | 3(2.54) | 5 | 1 | 1.39 | 13 |

Appendix A -- Result Charts



Results Chart (Mission Initiative Elements (C))

| | A | B | C | D | E | F | G | H | L |
|-----|--|------|------|------|------|------|-------|---------|------|
| 1 | Mission Initiative Elements (Categorizer) | | | | | | | | |
| | (N = 14) | | | | | | | | |
| | Primary List | 1(1) | 2(2) | 3(3) | 4(4) | 5(5) | Total | Mean | STD |
| 1.1 | it must inform all businesses (small, medium, and | | | 4 | 1 | 9 | 61 | 4(4.36) | 0.93 |
| 1.2 | Develop and support partnerships throughout the wo | | 1 | 2 | 2 | 9 | 61 | 4(4.36) | 1.01 |
| 1.3 | It should serve as a clearinghouse/conduit for id | 1 | 1 | 1 | 4 | 7 | 57 | 4(4.07) | 1.27 |
| 1.4 | TWC should share best practices across the state t | | | 5 | 5 | 4 | 55 | 4(3.93) | 0.83 |
| 1.5 | Empower the workforce development boards to provid | 3 | | 2 | 5 | 4 | 49 | 4(3.50) | 1.51 |
| 1.6 | TWC should become the centralized locale for all i | 2 | 2 | 3 | 5 | 2 | 45 | 3(3.21) | 1.31 |
| 1.7 | TWC should design the RFP process in such a way th | 1 | 3 | 7 | 3 | | 40 | 3(2.86) | 0.86 |
| 1.8 | agency will keep the incumbent worker training pro | 2 | 4 | 2 | 5 | | 36 | 3(2.77) | 1.17 |
| 1.9 | Providing the training resources today for tomorro | 5 | | 5 | 2 | 1 | 33 | 3(2.54) | 1.39 |



Goals (Categorizer)

GOALS:

One PURSUES goals: they tell us what results we choose to achieve.

- * describes ideal states to be achieved at some unidentified future time
- * consistent with and directly related to vision
- * guides daily decisions and actions
- * does not necessarily deal with measurable results

What must be done in order to accomplish the Vision?

1. All incumbent worker training services delivered through state resources demonstrate clear and direct connection to the expressed skill requirements of Texas employers.

Train the Texas worker for the jobs of the future {#14, a}

to have skilled, well trained employees available for all employers {#17, b}

The educational system produces the product/graduates that can fulfill the needs of business. This means the ability and attitude to perform required functions and the ability to continue to learn {#3, a}

Training and education content will be explicitly determined by industry needs {#6, b}

OBJ : Convene a series of meetings between business human resource executives and public/private educational institutions for the purpose of reaching consensus on what skills employers need. This exercise should be repeated periodically because needs change {#8, a}

Resources are allocated as determined by the skill needs of employers. {#11, a}

Have a summary of ALL active industry / education curriculum partnerships. {#12, a}

2. Identify funding source and programs that will be the basis for implementation. Once established, utilize current resources such as the "one stop" centers to be the primary information source for access by employers to program information and availability.

A single source in each community is established to assist business with access. {#10, a}

Find gobs of money. {#16, b}

3. Customers (employer and employee) access relevant training and have access to resources to successfully complete training.

4. Bureaucracy is eliminated and employers have access to the funds they need and the process for receiving those funds is simple.

Move TWC from a "department/functions" culture to a "team" culture. {#20, a}

Create advocate for small employers to gain access to all services of TWC. {#21, a}

5. Collaboration of all entities to ensure a seamless delivery system.

Establish clear lines of communication and accountability. {#13, a}

Establish clear performance measures. {#18, a}

6. A system where a part of any business is in direct communication with educational institutions to provide training resources.

Prioritization of Goals (Vote)

Voting Results

Rank Order (Allow bypass)

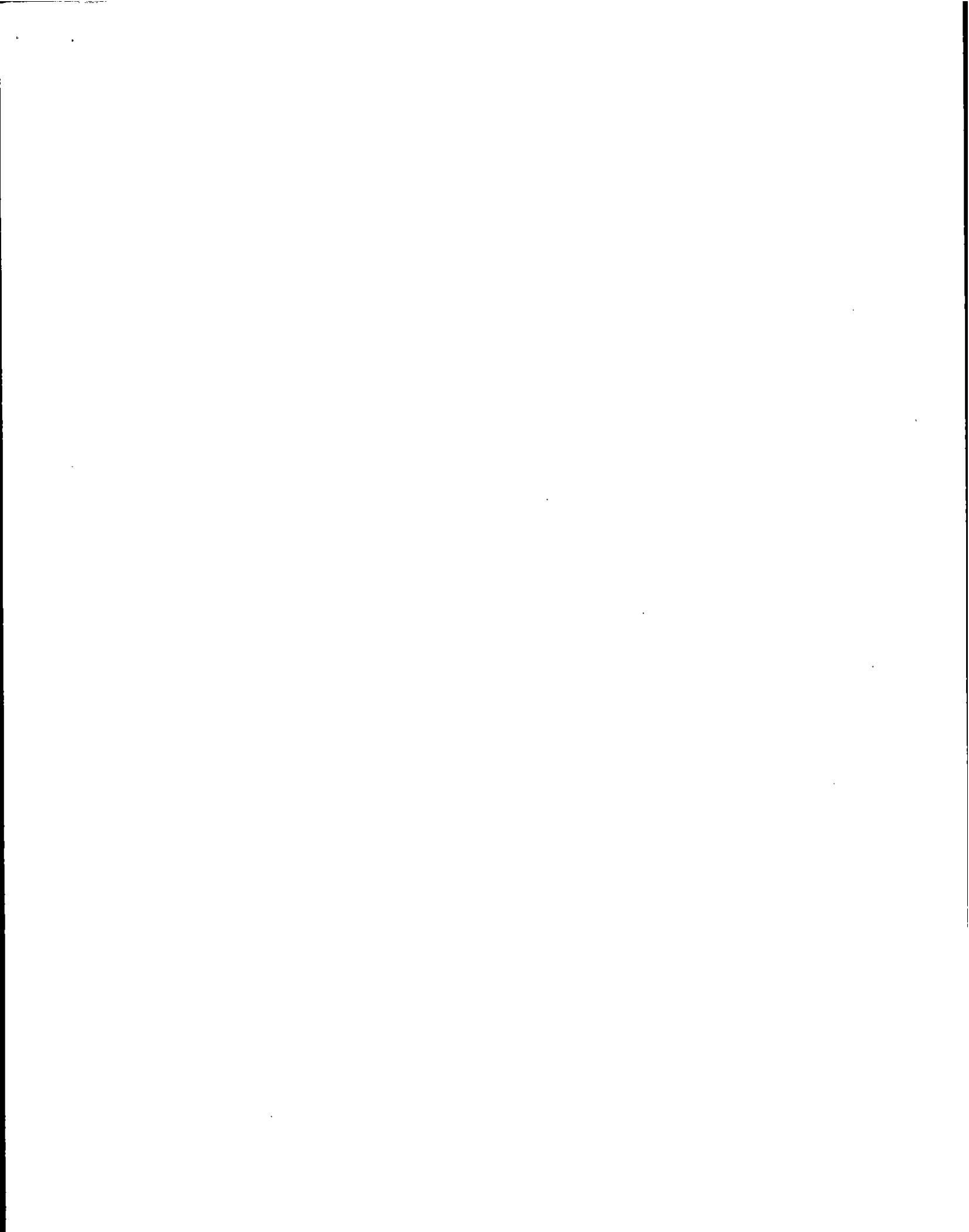
Number of ballot items: 6

Total number of voters (N): 14

Rank Sum

- | | |
|----|---|
| 62 | 1. All incumbent worker training services delivered through state resources demonstrate clear and direct connection to the expressed skill requirements of Texas employers. |
| 58 | 2. Customers (employer and employee) access relevant training and have access to resources to successfully complete training. |
| 52 | 3. Identify funding source and programs that will be the basis for implementation. Once established, utilize current resources such as the "one stop" centers to be the primary information source for access by employers to program information and availability. |
| 50 | 4. Collaboration of all entities to ensure a seamless delivery system. |
| 44 | 5. Bureaucracy is eliminated and employers have access to the funds they need and the process for receiving those funds is simple. |
| 28 | 6. A system where a part of any business is in direct communication with educational institutions to provide training resources. |

| | Number of Votes in Each Rating | | | | | | Mean | STD | n |
|---|--------------------------------|---|---|---|---|---|------|------|----|
| | 1 | 2 | 3 | 4 | 5 | 6 | | | |
| 1. All incumbent worker training services delivered through sta | 3 | 5 | 3 | 2 | 0 | 1 | 2.57 | 1.40 | 14 |
| 2. Customers (employer and employee) access relevant training | 2 | 4 | 3 | 4 | 1 | 0 | 2.86 | 1.23 | 14 |
| 3. Identify funding source and programs that will be the basis | 3 | 2 | 1 | 5 | 2 | 1 | 3.29 | 1.64 | 14 |
| 4. Collaboration of all entities to ensure a seamless delivery | 2 | 3 | 2 | 1 | 6 | 0 | 3.43 | 1.60 | 14 |
| 5. Bureaucracy is eliminated and employers have access to the f | 4 | 0 | 2 | 1 | 2 | 5 | 3.86 | 2.14 | 14 |
| 6. A system where a part of any business is in direct communica | 0 | 0 | 3 | 1 | 3 | 7 | 5.00 | 1.24 | 14 |
| Group consensus (1.00 = most consensus): 0.21 | | | | | | | | | |



Objectives (Group Outliner)

OBJECTIVES:

One ACCOMPLISHES objectives: they tell us how (actions and results) we plan to get where we choose to go

- * describes activities to be accomplished to achieve goals
- * focuses on critical organization issues and milestones
- * are measurable in terms of whether or not they are achieved
- * may be aligned when necessary for progress toward goals

1. All incumbent worker training services delivered through state resources demonstrate clear and direct connection to the expressed skill requirements of Texas employers.

Train the Texas worker for the jobs of the future {#14, a}

to have skilled, well trained employees available for all employers {#17, b}

The educational system produces the product/graduates that can fulfill the needs of business. This means the ability and attitude to perform required functions and the ability to continue to learn {#3, a}

Training and education content will be explicitly determined by industry needs {#6, b}

OBJ : Convene a series of meetings between business human resource executives and public/private educational institutions for the purpose of reaching consensus on what skills employers need. This exercise should be repeated periodically because needs change {#8, a}

Resources are allocated as determined by the skill needs of employers. {#11, a}

Have a summary of ALL active industry / education curriculum partnerships. {#12, a}

1.1 The employer and the state negotiate and agree to the accountable goals to be accomplished by the training.

1.2 Complete comprehensive needs assessment of all Texas employers

1.3 Statewide skill standards, where available, will be used to develop training course content

1.4 Develop a function to engage employers in the system to help determine skill requirements. Measurable by documenting current employer involvement in TWC and benchmark a starting point.

1.5 Employers and employees evaluate results of training programs

1.6 Employer/training provider groups meet and identify skill requirements for each sic code.

1.7 Design a survey process to determine industry needs that is simple and not overwhelming

1.8 Design a tool to define requirements and measure outcomes.

1.9 Survey employers to determine skills needs.

1.10 Identify processes or mechanisms through which employers can define their skill needs

1.11 The development of incumbent worker training curricula includes a process for documenting relevancy to the surveyed skill requirements of employers receiving the training service.

1.12 Texas employers should all be informed of the availability of funds to train their workers.

1.13 Curriculum should be available for access by both incumbent workers and unemployed

2. Customers (employer and employee) access relevant training and have access to resources to successfully complete training.

2.1 Market One Stop Services as key point of contact.

2.2 Training will be delivered through both on-the-job and institutional means

2.3 Employees have Individual Training Account for relevant training.

2.4 Create as part of the "one stop shop" concept as soon as skills assessment process is completed.

2.5 Establish a resource where employers have access regarding information on trainers that are relevant to their business.

2.6 Create a method in which needs can be updated quickly

2.7 Ensure flexible training schedules to accommodate staffing needs of employers.

2.8 Engage employers to determine skills requirements and match with employees needs. Measurable by employees placed in actual jobs.

have they used the skills they learned on the job {#100, b}

2.9 Develop a information center (website) with catalog summary of the training resources in local area.

2.10 design curriculum with several diverse delivery systems in order to accommodate diverse learning preferences.

2.11 survey ALL business types to insure inclusivity

2.12 Advertise sources to employers, employers to their workers and/or to unions/workers associations to their membership

2.13 every employer shall know of all training facilities, educational, governmental, and private, available to them

2.14 State training resources are coordinated and available through a intranet listing of funding opportunities.

3. Identify funding source and programs that will be the basis for implementation. Once established, utilize current resources such as the "one

stop" centers to be the primary information source for access by employers to program information and availability.

A single source in each community is established to assist business with access. {#10, a}
Find gobs of money. {#16, b}

3.1 Identify future positions where they will be a great demand.

3.2 Create a marketing tool to sell the "one stop shop" method and what it can do for employers.

3.3 Establish a communication link within the "one stop" centers so that an employer can information/assistance when seeking training solutions.

3.4 Create a single source document to be utilized by a marketing team to outreach to employers.

3.5 Use industry trade groups as a "primary" source to receive and provide information to and from employers.

3.6 Implement integrated funding for incumbent worker training through Texas Workforce Centers.

3.7 Establish an oversight committee to coordinate all program activity relegated to different agencies. Committee should be composed of employers, educators and state representatives.

3.8 "one stop centers" will be a clearing house for training programs to employers and employees.

3.9 Begin with a primary source while continuing to encourage that primary entity to perform continuous outreach to any and all organizations involved in workforce

3.10 Texas Workforce Centers have internet access to on-line applications for incumbent training programs.

3.11 Workforce centers will provide career information to facilitate an individual worker's decisions regarding upskilling or reskilling.

4. Collaboration of all entities to ensure a seamless delivery system.

Establish clear lines of communication and accountability. {#13, a}
Establish clear performance measures. {#18, a}

4.1 Establish communication systems between entities.

4.2 Define duplications and interdependencies between entities.

4.3 Public and private training providers will collaborate to create seamless pathways for program articulation

4.4 Develop a tool to assess the performance of the system once established that provides employer inputs and that can be amended as needed.

4.5 Provide leadership at state level to enhance statewide involvement through local boards.

4.6 Standardize process for employers to obtain information regarding resources and information.

4.7 Develop and implement a process for the formal recognition of prior learning and current competencies to enable awarding of a credential specified training seat-time.

4.8 Inservice training is provided for all local workforce development boards.

4.9 Ensure planning and decisions are representative of all business sizes, rural & urban locations and employees.

4.10 elimination of all redundancy by having the lwb the source of all training funding.

4.11 Establish a communication system between participants that is readily accessible, yet inexpensive

4.12 State agencies offering incumbent worker training develop a single, simple, on-line application process and annual report on training outcomes of programs.

4.13 Create working teams to cross interdisciplinary lines

5. Bureaucracy is eliminated and employers have access to the funds they need and the process for receiving those funds is simple.

Move TWC from a "department/functions" culture to a "team" culture. {#20, a}

Create advocate for small employers to gain access to all services of TWC. {#21, a}

5.1 Reduce administrative overhead to the minimum required.

5.2 Employers receive requested funds within 24 hours of request when deemed appropriate.

5.3 Regional training centers or community colleges handle administrative side of employee training.

5.4 Develop an application that is simple to complete and user friendly. It should be available both through the web-site and in hard copy for those businesses that are still on manual processes.

5.5 The fund request should come through one source and that source determines, along with the employer, which funds are best suited to the employers needs.

5.6 All requests for funds are done electronically with minimum information needed.

5.7 Maintain the vision through continual outreach to employers. Real employer buy-in will provide fuel to maintain the vision.

5.8 Write simple administrative procedures.

5.9 Limit state statutory performance requirements to outcomes attainable by all participants.

5.10 bureaucracy will be minimized to one local delivery system, the local workforce board

5.11 Create a formula that insures the employer will be a shareholder in the cost of the training. Funding should not be 100% by TWC.

5.12 State agencies offering incumbent worker training collaborate to develop an on-line application process for accessing funding.

5.13 Reduce complication as best as can -- provide government bureaucracy busters when system demands complication

5.14 Don't know where this goes, but it is imperative that the TWC create a flawless delivery system to the Texas Legislature on why this program will work and why the funding is needed. It should be carried by the TWC, employers, and educators. No matter how good the design, the darn thing needs to be effectively sold the legislature.

5.15 Market Incumbent Worker Training to the public in an understandable way. Use media effectively. Assure the businessman that getting involved with a program like this will not throw them into a paperwork nightmare

6. A system where a part of any business is in direct communication with educational institutions to provide training resources.

6.1 Hold a conference in each community to establish a line of communication between business and educational entities with specific points of contact that businesses can then use.

6.2 Rely upon trade associations as one means of providing input from employers and educational institutions.

6.3 Educate employers about the local education institutions and local boards functions in their area.

6.4 Provide a process to facilitate and monitor business trainer dialog through Texas Workforce Centers.

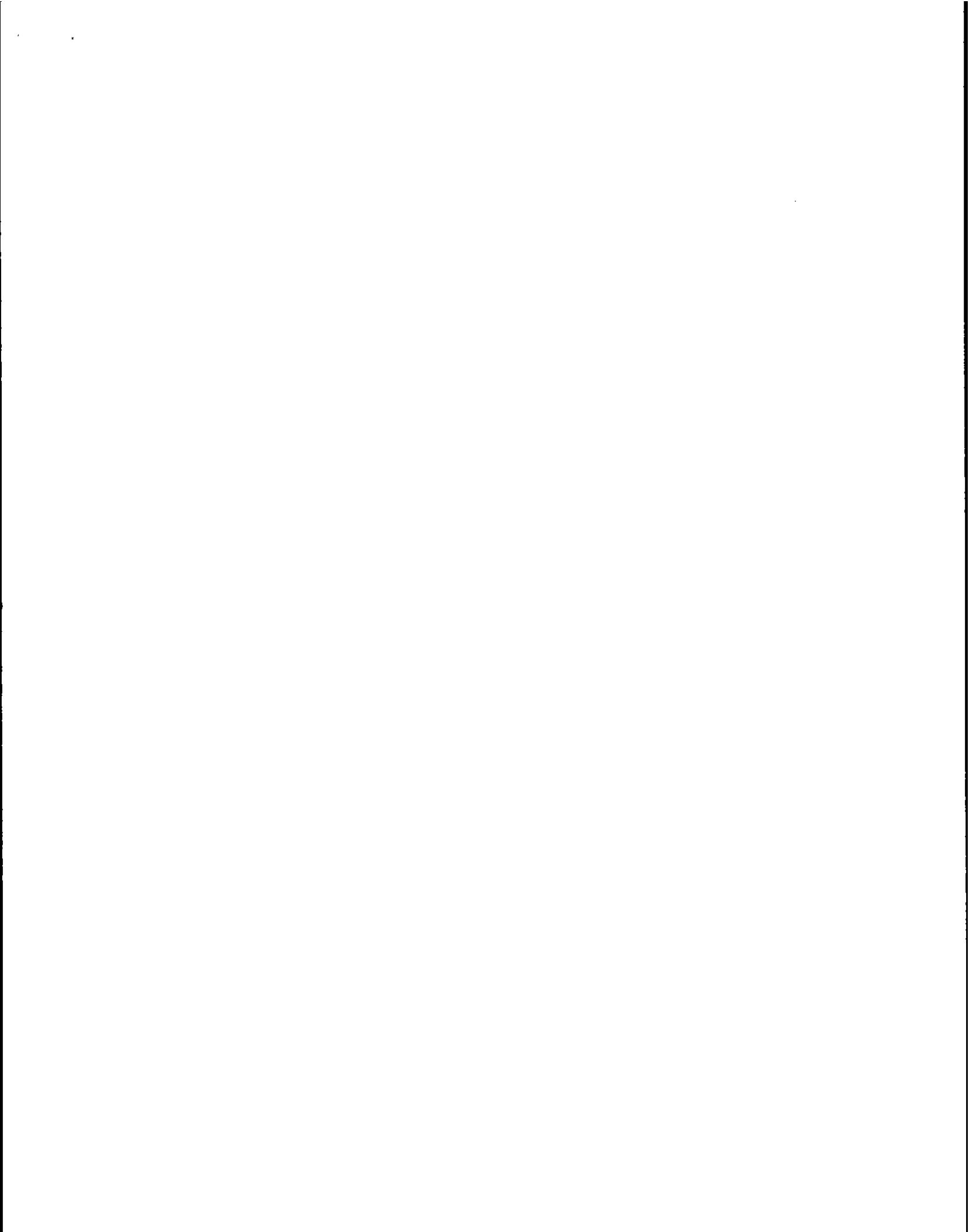
6.5 Convene periodic conferences between educational institutions and industry to reach consensus on what employers want the educational community to provide. This would go from basic life skills to more sophisticated ends. Should be done with high school and universities and colleges

6.6 all educational facilities in each area should be provided to each business in every area

6.7 Local Workforce Development Boards sponsor an annual conference for employers and education entities to exchange information.

6.8 Create an easy information gathering system (web based ??) in which collaborations can be entered easily and available for all to see.

6.9 support or expand business participation in adopt a school, school to careers -- tell business to mix with the educational folk at he football alumni cocktail parties



Session Evaluation – October 7, 1999 (Survey)

Survey Results

1. TeamFocus Environment

A) Ballot

Method: Open-Ended
Options: Allow Bypass
Maximum Number of Characters: [12288]
Descriptions: Click in the box to enter text.

B) Text Responses

Total Number of Respondents (N): 14

Number of responses to this question (n): 13

1. Excellent format for working through the vast amount of data
2. Great facility!!!!
3. Results are far better than expected.

Excellent venue for strategizing.

4. excellent environment

5. cool

6. Excellent.

7. good

8. I really liked the software application for a short period of time in which to accomplish an entire strategic plan. However, I do see that it has its limitations, in that by typing, we are working alone and eliminating conversation between individuals and brainstorming/springboarding off one another's ideas. For a group in which you need to build relationships, this limits understanding of where each person is coming from.

9. This is a great efficient process for pulling ideas for these kind of strategy sessions..

10. Excellent way to gather data anonymously. Enjoyed the ability to see some-finished work quickly.

11. best environment for sharing needs

12. This was great. Since the members of the group do not know each other well it allowed everyone to participate and have input.

13. good environment for brainstorming. Collation was sometimes difficult - but eventually worked in the end . Electronic DACUM!

2. Facilitator - Carolyn Johnson

A) Ballot

Method: Open-Ended
Options: Allow Bypass
Maximum Number of Characters: [12288]
Descriptions: Click in the box to enter text.

B) Text Responses

Total Number of Respondents (N): 14

Number of responses to this question (n): 14

1. Very well versed on this type of activity.
2. Thanks Carolyn!! You are a great facilitator

3. She does an excellent job and has the demeanor for this type of work.
4. Extremely helpful and made the entire process enjoyable.

Kept us all focused on the mission.

5. superb job
6. way cool
7. Excellent facilitator who provided an atmosphere of collaboration.
8. effective and an excellent communicator
9. did great job keeping us on point, focused, and on time, teaching us how to use program and trying to open up dialogue and communication
10. Great Job of keeping us going and allowing time to discuss and clarify when needed.
11. Poised, professional, and competent. Excellent directions and control of group.
12. thanks for the efficient friendly atmosphere
13. Extremely helpful and encouraging to all of the participants. She demonstrated good familiarity with the subject matter as well as the technology.
14. Great control of group and moving us through the days activities. Thanks for your patience and perseverance.

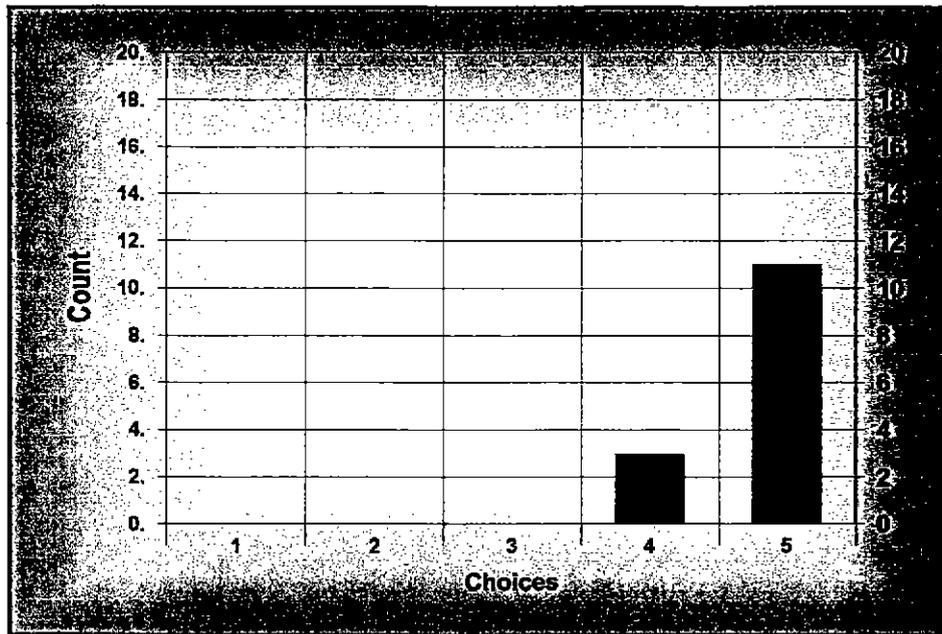
3. Please rate the facilitator

A) Ballot

Method: Custom Method
 Options: Allow Bypass
 Descriptions: 5 point scale with 5 being HIGH

B) Results Spread

| <i>Choices</i> | <i>Count</i> |
|-------------------|--------------|
| 1(1) | 0 |
| 2(2) | 0 |
| 3(3) | 0 |
| 4(4) | 3 |
| 5(5) | 11 |
| <i>Statistics</i> | |
| <i>Total</i> | 67 |
| <i>Mean</i> | 5(4.79) |
| <i>Mode</i> | 5 |
| <i>High</i> | 5 |
| <i>Low</i> | 4 |
| <i>STD</i> | 0.43 |
| <i>N</i> | 14 |
| <i>n</i> | 14 |



Results Chart (3. Please rate the facilitator)

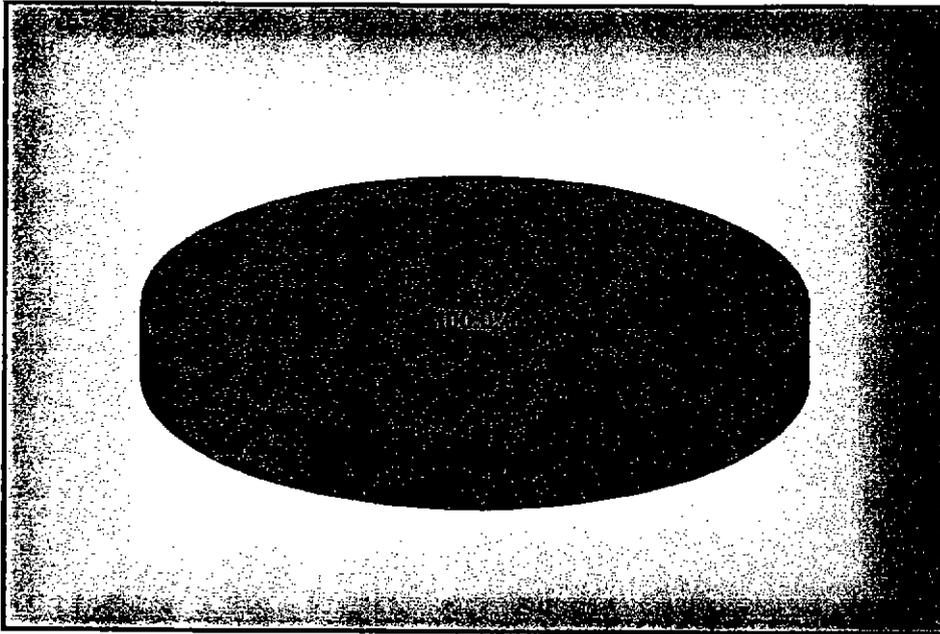
4. TeamFocus meeting methodology assisted us in meeting today's objectives

A) Ballot

Method: Yes/No
 Options: Allow Bypass
 Descriptions: Select either Yes or No.

B) Results Spread

| <i>Choices</i> | <i>Count</i> |
|-------------------|---------------|
| <i>Y</i> | <i>14</i> |
| <i>N</i> | <i>0</i> |
| <i>Statistics</i> | |
| <i>Yes%</i> | <i>100.00</i> |
| <i>No%</i> | <i>0.00</i> |
| <i>N</i> | <i>14</i> |
| <i>n</i> | <i>14</i> |



Results Chart (4. TeamFocus meeting methodology assisted us in..)

5. Other comments?

A) Ballot

Method: Open-Ended
Options: Allow Bypass
Maximum Number of Characters: [12288]
Descriptions: Click in the box to enter text.

B) Text Responses

Total Number of Respondents (N): 14

Number of responses to this question (n): 11

1. Thanks for the invitation. This is very exciting and I feel honored to have been part of the group. Looking forward to future meetings!!!!
2. Most productive meeting I have attended in years
3. Hope we'll get results in a short time. Don't wish to lose the momentum.
4. My first time with this. Perhaps all of the participants were just wonderful -- of course we were -- but the process was a large contributor to it, I think. Much more productive than our first traditional attempt/meeting.
5. I appreciate the opportunity to contribute and found the interaction (process) to be supportive.
6. too much elementary information. I learned nothing
7. Very productive and tiring day !!!
8. Will look forward to seeing the final report. Do feel we need to clearly articulate some specific STRATEGIES and PERFORMANCE MEASURES that are qualitative as well as quantitative.
9. thanks for having small business as part of the training solution
10. If the group was a more established group, this process may not promote enough interaction and create synergy from building off of each others ideas. But given the composition of this particular group, this technology was just right.

11. Having the Questions prior to this session would have been helpful in "focusing" our efforts and the process to engage in discussion and modification after the submissions and voting. This suggested addition may result in more "refined" outcomes.

APPENDIX B
FOCUS GROUPS STUDY

INCUMBENT WORKER FOCUS GROUPS FINAL REPORT

Background

In July 1999, Texas Workforce Commission (TWC) contracted with Texas Engineering Extension Service (TEEX) of the Texas A&M University System (TAMUS) to carry out a series of seven focus group sessions throughout the state. The purpose of these focus groups was to seek input from employers, workers, service providers and the public regarding incumbent worker training programs. Pursuant to this end, TEEX and TWC conducted focus group sessions in geographically diverse parts of the state. Table 1. includes the geographic area and the actual location of each focus group session. Table 2. provides a summary of the types of attendees at each focus group session.

| <i>Geographic Area</i> | <i>Actual Location of Session</i> |
|------------------------|-----------------------------------|
| Urban | Arlington |
| | Houston |
| | San Antonio |
| Rural | Abilene |
| | Lufkin |
| Valley | El Paso |
| | Laredo |

| <i>Employers</i> | <i>Workers</i> | <i>Workforce Professionals</i> |
|------------------|----------------|--------------------------------|
| Abilene | | Abilene |
| Arlington | Arlington | Arlington |
| El Paso | El Paso | El Paso |
| Houston | | Houston |
| Laredo | | Laredo |
| | | Lufkin |
| San Antonio | | San Antonio |

Local workforce development boards (LWDB) in the targeted areas were asked to help recruit individuals to participate in the focus group sessions. Participating employers were typically members of the Chamber of Commerce or private sector members of LWDBs. Participating workers included employed and unemployed individuals and representatives of labor. Participating workforce development professionals were representatives of the workforce development system and of local training providers.

The basic format for each focus group session was as follows:

1. Full group session outlined the focus group goals, objectives, activities and proposed outcomes
2. Small group sessions by workforce category, i.e., employers, workers or workforce professionals (including training providers) addressed the discussion questions

- a. Round Robin for discussion question 1¹
 - b. Round Robin for discussion question 2²
 - c. Nominal Group Process for discussion question 2, including clarification, modification, elimination of duplicates and prioritization of issues
 - d. Round Robin for discussion question 3³
3. Full group session presented and prioritized the top issues identified for discussion question 2

After all seven focus group sessions were completed the list of top issues (approximately 35) was faxed to all focus group participants. These individuals selected the five issues they felt were most important and faxed their responses back to TEEX. TEEX staff tallied the results to determine the top 5 issues statewide. This list of top 5 issues was faxed to all focus group participants for additional elaboration and/or suggestions for addressing the issues.

Issues⁴

The focus group process was structured in a manner that condensed and prioritized the issues so participants could focus their discussion. However, all of the identified issues had potential relevance to the development of a successful incumbent worker program. After analysis, it was apparent that these issues fell into eight general categories:

- ◆ *Expected goals and outcomes of an incumbent worker training program*
- ◆ *Control over an incumbent worker training program*
- ◆ *Ancillary programs or services that could enhance the success of an incumbent worker training program*
- ◆ *Promotion and marketing campaigns to inform employers and the public about the incumbent worker training program*
- ◆ *Appropriate categories of individuals to target for incumbent worker training*
- ◆ *Employer, employee and local workforce board buy-in for incumbent worker training programs*
- ◆ *Information necessary to set up an incumbent worker training program*

GOALS AND OUTCOMES

Issues in this category dealt with accountability and program evaluation. Most focus group participants believed that the program should include measurement criteria, but often differed on what this criteria should cover.

- ◆ *Some focus group participants felt that training providers should be held accountable for the achievement of incumbent worker training programs. Understandably, they felt that poor training could undermine program success. However, they also felt that caution should be used before holding training providers accountable for anything other than the appropriateness and quality of the training.*

¹ Discussion question 1 – *What are the most important issues to be addressed in your company or community when considering how to design programs to help employers provide training for their currently employed workers?*

² Discussion question 2 – *If you were the Governor of Texas, what do you think should be the most important issues to be addressed before spending the State's resources (tax dollars) to help employers provide training for their current workers?*

³ Discussion question 3 – *Which currently employed workers should such programs target (locally for your company or community and statewide)?*

⁴ Issues are presented in no particular order and no significance should be assigned to the sequence.

APPENDIX B: Focus Groups Study

Other focus group participants felt that the success of the incumbent worker-training program was equally dependent on training quality, the motivation of workers and the commitment of employers.

- ◆ *A related concern expressed by focus group participants was that some type of consequence should be imposed "if the training failed" or didn't meet employer's needs. Once again, this perspective was contrasted by other focus group suggestions that the state should remember that training was "only one piece of the puzzle" and could not be expected to solve the complex problems of employers and incumbent workers.*
- ◆ *Historically, federal- and state-sponsored workforce training programs have prescribed time limits. Focus group participants were concerned that pre-determined time limits would hamper the success of the incumbent worker-training program and that measuring success too soon might show spurious results.*
- ◆ *Some participants questioned whether the program would have enough money to adequately fund program activities. Focus group participants also were concerned that the businesses funded through the program should be solvent enough to show long-term positive results.*
- ◆ *Return-on-investment (ROI) was very important to focus group participants. Many mentioned that an ROI evaluation could provide valuable information about whether the state had successfully spent public funds. Suggested criteria for an ROI evaluation included*
 - ◆ *Financial Improvement for the business*
 - ◆ *Increased wages for workers*
 - ◆ *Benefits to the community*
 - ◆ *Increased productivity of workers*
 - ◆ *Increased taxes paid to the state from participating businesses*
 - ◆ *New companies attracted to the state*
 - ◆ *Improved national reputation of the state*
- ◆ *Focus group participants stressed that any evaluation of the program should take into account benefits for employers, workers and the state.*

NOTE: A recent Texas State Occupational Coordinating Committee (SOICC) report indicated that training for incumbent workers didn't necessarily result in promotions or salary increases for workers. This fact should be taken into account in the design of any accountability system or ROI evaluation devised for an incumbent worker-training program. It is possible that current incumbent worker training has not created upward movement through career paths because it is (a) not part of a company's long-term plan, (b) not integral to employee performance evaluations, and (c) a sparse resource that is used as a means for workers to obtain the skills they need to perform their current jobs, rather than a mechanism for promotion. However, as incumbent worker training programs become institutionalized, employers may learn to use them to their fullest benefit.

CONTROL

One of the issues that dominated discussion at all of the focus groups was that of program control. Ironically, these issues were often in direct contrast to the issues surrounding goals and outcomes. While measurement can require complex and uniform record keeping, focus group participants were concerned that program beneficiaries should not be burdened with extensive paperwork and that the program should allow for flexibility. Measurement and accountability also presuppose that all incumbent worker programs adhere to the same standards. However, the focus group participants insisted that local conditions and standards should guide any successful incumbent worker program.

APPENDIX B: Focus Groups Study

- ◆ *Some focus group participants were concerned that local and state program rules could compound restrictions imposed by federal rules. They were also concerned about delegating program responsibility to state agencies that already managed numerous other bureaucratic programs. One focus group participant even went so far as to suggest that a new agency should be specifically charged with oversight of incumbent worker training programs.*
- ◆ *Program control issues also included issues related to eligibility for program funds. Focus group participants seemed to agree that employers should meet some pre-determined criteria before they could be approved for funding. In most cases, they believed that these criteria should be determined locally. Some focus group participants also believed that individual workers should be able to access program funds. They believed this should hold true if workers were in low paying/dead end jobs and wanted to change careers. Other eligibility issues mentioned by focus group participants were varied, and often contradictory. These included –*
- ◆ *All areas of the state should receive funding based on a formula that included criteria beyond population.*
- ◆ *Eligibility criteria developed for employers and training providers in rural areas should be different than criteria for employers and training providers in urban areas.*
- ◆ *Eligibility criteria for small businesses should be different than criteria for large businesses.*
- ◆ *Eligibility criteria should tie eligibility to participation in other workforce programs. For example, employers who participated in School-to-Career programs should have priority over other employers.*
- ◆ *Eligibility should not be limited to certain industries or occupations and should not be limited to private-sector employers.*
- ◆ *Priority should be given to employers who had been impacted by local conditions that were beyond their control.*
- ◆ *Priority should be given to growing industries.*
- ◆ *Priority should be given to industries that would have the most economic impact in the state.*
- ◆ *Employers and/or workers should not receive funding unless they agree to specific conditions that would apply after the completion of training. For example, employers should be required to give workers promotions or pay increases and workers should be required to remain with their current employer for a specified period of time.*
- ◆ *Priority should be given to programs that provide training to the lowest paid workers.*
- ◆ *Priority should be given to programs that provide training for management.*
- ◆ *Priority should include professional development for state agency employees.*
- ◆ *Priority should include individuals with disabilities.*
- ◆ *Most focus group participants believed that eligibility of training providers should be determined locally and that employers should participate in the process.*
- ◆ *Some focus group participants believed that current formats and rules guiding the content of training programs were ineffective. For example, the Workforce Education Course Manual (WECM) being developed by community colleges and Texas Higher Education Coordinating Board was considered unsuccessful.*
- ◆ *Focus group participants also were concerned about program control and funding issues beyond the actual training. These included -*
 - ◆ *Paying for temporary workers to substitute for workers who were in training*
 - ◆ *Paying for child care or transportation, especially if training was offered during non-work hours*

APPENDIX B: Focus Groups Study

- ◆ *Paying the wages of workers in training, including overtime wages for training during off-hours*
- ◆ *Paying for mentors to help workers move into new jobs or career paths*
- ◆ *Paying training providers to develop new curricula or purchase new equipment*
- ◆ *Most focus group participants agreed that the application process should be fast and easy and that funds should be awarded quickly. Smart Jobs and Skills Development Fund were cited as examples of overly bureaucratic processes. Skills Development Fund was especially cited as having an extremely long time delay between the application and the award.*
- ◆ *Focus group participants doubted the ability of the state to fully comprehend the subtle strategies needed to work with employers. These individuals were cynical about any regulations developed by the state. Most focus group participants were adamant that politicians should not play a role in the funding process.*
- ◆ *Discussion among focus group participants included program control issues related to the scope and depth of the training program. Some participants believed that training should include employer-specific skills, especially if workers were cross-trained. On the other hand, other participants believed that state-funded training should only include generic skills such as safety training or skills that were specific to an industry or occupation rather than to a specific employer.*
- ◆ *An interesting philosophical issue that was discussed by several focus group participants was whether the incumbent worker program should be subcontracted to local areas and/or employers, or whether the program should be a cooperative venture between the state and the participants. On the surface this might seem a matter of semantics. However, there is a significant difference between the hierarchical relationships created by contracts and subcontracts and the collegial relationships⁵ created by cooperative agreements.*

ANCILLARY SERVICES

Some of the issues discussed by focus group participants were not directly related to incumbent worker training. However, these issues could contribute to the success or failure of these programs.

- ◆ *Childcare, healthcare services and transportation could be set up for workers whose training took place after normal work hours.*
- ◆ *High school courses could prepare students for the reality of employment and lifelong learning.*
- ◆ *A support network could be established for workers participating in training programs.*
- ◆ *More non-traditional approaches to secondary education could be adopted with the goal of keeping kids in school and increasing their levels of learning.*
- ◆ *College financial aid programs could be used to leverage additional funding for incumbent workers.*
- ◆ *The State could establish a telecommunication backbone that would enable remote areas to have Internet access.*
- ◆ *The State could reduce taxes for low-income families on the condition that money saved would be used for education or educational support.*
- ◆ *Some of the incumbent worker training funds could be used to pay for clothing or tools that workers would need in their new jobs.*
- ◆ *Incumbent worker training could be linked with School-to-Career programs.*

⁵ Collegial relationships are those in which all participants share equal authority.

PROMOTION AND MARKETING

Issues related to promotion and marketing were not a high priority among focus group participants. However, many felt that the State would have to adequately promote incumbent worker training before employers would participate.

- ◆ *Focus group participants were concerned about how the state and local areas could get information about the program to employers. Some focus group participants felt that a special marketing campaign should focus on small businesses.*
- ◆ *They also felt that some marketing should target workers to show them that they could move into higher paying jobs without having to complete a degree.*
- ◆ *In addition to information about the incumbent worker program, focus group participants felt that promotional campaigns should:*
 - ◆ *Help calm employer doubts and suspicions about the program*
 - ◆ *Emphasize the importance of lifelong learning and how it could make a positive difference*
 - ◆ *Provide information about other workforce-related resources*
 - ◆ *Provide information to employers about the benefits of a well-trained workforce*
 - ◆ *Coordinate marketing with marketing for high school career programs*
 - ◆ *Ensure that the skills that correspond with demand occupations are included in the marketing*
 - ◆ *Ensure that accurate information about training and training providers is made available to employers and workforce center workers*

WHO TO TRAIN

Suggestions concerning which workers should benefit from incumbent worker training were often diametrically opposed to each other. These contradictory comments could not be attributed to differences in perspective between employers, workers and workforce professionals. In some instances, they even emanated from members of the same organization. Examples of dichotomous suggestions included:

- ◆ *Some focus group participants were intent on using incumbent worker training programs to continue training that had begun in other workforce development programs. Other focus group participants felt that the incumbent worker training program should focus on individuals who had not received previous training.*
- ◆ *Some focus group participants suggested that training should target workers within specific industry segments. However, they did not agree on whether these should be industries with high growth potential or industries that were in danger of economic decline.*
- ◆ *Focus group participants agreed that technology training would be an important component of the incumbent worker training program. However, some believed that workers with little or no technology skills should have the highest priority for technology training and others believed that workers with advanced technology skills should have the highest priority for technology training.*
- ◆ *Some focus group participants believed that the training priority should be for the lowest paid workers. Others believed that training should target executives and upper management.*
- ◆ *Many felt that training dollars should be spent on permanent workers. Others felt that training dollars should be spent on temporary workers, especially if those temporary workers would be "filling-in" for permanent workers who were engaged in other training.*

APPENDIX B: Focus Groups Study

- ◆ *Some focus group participants felt the training should target individuals who wanted to move ahead on a career ladder. Others felt the training should target individuals who wanted to change careers, i.e., move from a dead-end job into higher paying jobs with potential for advancement.*
- ◆ *Several focus group participants felt the training should target workers who needed discrete job specific skills not included in general workforce development training programs. Other focus group participants felt that training should target workers who needed generic and transferable skills such as interpersonal skills and communication skills.*
- ◆ *While most focus group participants felt that incumbent worker training should target workers in the private sector, some also felt that public sector workers should not be left out.*
- ◆ *Some focus group participants felt the program should focus on entry level workers. Others felt the program should focus on older workers.*
- ◆ *In addition to the groups mentioned above, several other categories of incumbent workers were listed among those who should receive training. These included:*
 - ◆ *Baby boomers*
 - ◆ *Entrepreneurs*
 - ◆ *Ex-welfare recipients*
 - ◆ *Generation X*
 - ◆ *High school dropouts*
 - ◆ *Immigrants who were working in the United States and were trying to support their families at home*
 - ◆ *Individuals with disabilities*
 - ◆ *Individuals with limited language proficiency, both in English and in Spanish*
 - ◆ *Offenders*
 - ◆ *Service workers*
 - ◆ *Workers in specific industries such as manufacturing, health care and technology*

In summary, suggestions for whom to train included just about any category of worker imaginable.

TRAINING QUALITY

The amount of time used to discuss issues in this category was greater than for any other category. However, many of the same issues were brought up numerous times. Issues pertaining to training quality included:

- ◆ *Accessibility – Participants wanted the state to ensure that training would be accessible to all individuals and throughout the state. Accessibility to training was of particular concern for rural areas and areas in the Rio Grande Valley. Focus group participants were also concerned about access to distance learning media.*
- ◆ *Assessment – Focus group participants were also concerned with assessment issues. They believed that assessments should be used for diagnostic purposes or to determine learning gains. However, they were fearful that assessments might be misused, or inadvertently used, to penalize workers who had lower than average skills or difficulty in learning situations.*
- ◆ *Communication – Another concern was that employers and training providers might not communicate well enough for employers to discern which workers would be most appropriate for which training.*

APPENDIX B: Focus Groups Study

- ◆ Content – *Some comments focused on the subject matter to be covered in training programs. These included:*
 - ◆ *Communication skills and teamwork training*
 - ◆ *Community service training*
 - ◆ *Customer service training*
 - ◆ *Job specific skills training*
 - ◆ *Leadership training*
 - ◆ *Motivational training*
 - ◆ *Sexual harassment and ethics training*
 - ◆ *Soft skills and employability skills training*
 - ◆ *Training about employer benefits*
 - ◆ *Training on the use of new technologies and procedures*
 - ◆ *Training related to basic skills and English proficiency skills*
 - ◆ *Training to change company culture*
 - ◆ *Training to improving relationships between employers and workers*
 - ◆ *Training to upgrade existing skills*
- ◆ Design – *Other focus group participants were concerned about how training would be designed and who would have input into training content. Some focus group participants felt that training quality could be enhanced if employers worked together to design training programs and if workers from several companies could participate in joint training programs.*
- ◆ Development – *The development of training opportunities was a major topic of discussion among focus group participants. Some participants suggested that formal training mechanisms for specific skills (such as literacy skills) should be instituted throughout the state. Other focus group participants were concerned that the funding structure for community colleges and other publicly funded training programs did not allow for investment in, or development of, new curriculum or delivery methods*
- ◆ Duration – *Some focus group participants were concerned that the time allotted for training, and the duration of the training, would not be consistent with the actual training needs. They felt that employers might have unrealistic expectations about how quickly workers could learn new skills.*
- ◆ Service – *Some also were concerned that the current framework of non-overlapping regional service boundaries for community colleges created a situation in which employers only had one external training provider to choose from. This situation could be exacerbated when employers did not have the resources necessary to provide training in-house.*
- ◆ Technology – *In addition to access to distance learning media, focus group participants were concerned about the quality of the technology to be used and the quality of the instructional programs offered via distance technologies. They were also concerned about how the technology would be purchased and who would own the technology after the training program was completed. Additionally, focus group participants were concerned that some distance learning technologies might intimidate workers (especially low-wage workers).*
- ◆ Transferability – *Focus group participants felt that it was very important for training to be transferable between institutions. Some suggested that training programs should be required to offer certificates or other means of documenting skills in order to facilitate this transferability.*
- ◆ Viability – *Some focus group members were concerned that employers would not be able to make informed decisions about the viability of training providers, i.e., were the training providers reputable and their programs of high quality.*

BUY-IN

Focus group participants all realized that the incumbent worker training program would not be successful unless employers, workers and training providers believed the program was important and necessary. They also understood that success would also be dependent on buy-in from communities, economic development entities and local public schools. The way focus group participants articulated this buy-in took many forms.

- ◆ *Some focus group participants believed that both employers and workers would need to redefine their roles. This might involve “thinking out of the box” and “moving out of their comfort zones.” They believed that this type of buy-in would develop slowly. Therefore, the incumbent worker training program would need to:*
 - ◆ *be supportive*
 - ◆ *gently assist employers and workers in learning to trust new perspectives*
 - ◆ *not “give up” too quickly, i.e., the program would need to remain relatively stable for at least five years (if not longer) before its impact could be judged*
- ◆ *Focus group participants realized that both employers and workers would have to benefit from the incumbent worker training program before it could be successful, but that these benefits could be at cross purposes with each other. Employers could benefit from better trained workers only if those workers remained with that employer. On the other hand, workers with increased skills might improve their lifestyles if they found better employment elsewhere.*
- ◆ *Focus group participants discussed the fact that buy-in from workers would have to be based on more than possible salary increases at the end of the training.*
- ◆ *Focus group participants pointed out that buy-in from employers could be dependent on how well an employer could handle items like -*
- ◆ *Dealing with operational downtime when workers were engaged in training, including the use of temporary workers to fill workplace gaps caused by workers in training.*
- ◆ *Enhancing the funded training program with additional employer contributions.*
- ◆ *Understanding that the use of public funds normally involves giving something back to the public, such as the time and resources required to complete necessary documentation and paperwork.*
- ◆ *Revamping employee reward systems and performance appraisals to recognize the importance of employee participation in the training⁶*
- ◆ *Focus group participants felt that methods for getting buy-in had to be tailored to the cultural group and business climate. Methods that worked with one group or in one situation would not necessarily work with another group or in a different situation.*
- ◆ *Some focus group participants felt that there should be incentives (beyond funding for the training) for companies who were willing to participate in the program.*
- ◆ *Some focus group participants felt that there should be incentives (beyond funding for the training) for individuals who were willing to participate in the program.*

⁶ Revamping employee reward systems might not mean that employees receive immediate pay increases. However, since business improvement is often dependent on employee improvement, revamped reward systems might include such items as long term plans for employee advancement.

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- ◆ *A few focus group participants pointed out that management was the “key to buy-in”. It was suggested that management buy-in would be more universal if managers could participate in programs to help them deal with “less than ideal” workers.*
- ◆ *Some focus group participants felt that employer buy-in would be more forthcoming if training providers devised new methods for training delivery, such as “just-in-time” training and use of distance learning media. It was also suggested that the definition of training might be expanded to include the development of job aids and imbedded learning technologies that would expand the concept of on-the-job training.*
- ◆ *One focus group participant felt that buy-in could be enhanced through the use of an ombudsman, or neutral party, who could help mediate and negotiate obstacles and problems. A related suggestion was that some type of counseling system be established to help workers deal with problems and obstacles they might encounter either in accessing training or in convincing employers that they should participate in training.*
- ◆ *A long-term suggestion for increasing buy-in was to ensure that the K-12 education system was educating students about the benefits of lifelong learning.*
- ◆ *Many focus group participants believed that buy-in would only happen if employers, workers, communities and families could see both immediate and long-term benefits from the program. Buy-in would not occur if any one of these groups benefited at the expense of any other of the groups. In other words, buy-in would occur when everyone understood what was in it for him or her.*
- ◆ *It was also suggested that buy-in could occur by working through trade associations and/or professional associations in addition to working with individual employers.*
- ◆ *Comments made by focus group participants concerning buy-in implicitly acknowledged the importance of trust between all parties. One focus group participant felt that all players should be involved in planning, implementing and evaluating the training. This would include employers, workers, training providers, transportation providers, workforce boards, community based organizations and social service agencies. It also might involve an on-going forum between the employer and the state so that the state could understand changing employer needs.*

INFORMATION NEEDS

In order for the incumbent worker program to be implemented intelligently, focus group members realized that they would need specific information.

- ◆ *Some focus group participants felt that an incumbent worker training program should be guided by information about the local labor market. They thought that information about specific worker shortages would be especially helpful.*
- ◆ *Some focus group participants also felt that they needed information that would help them project future employment trends and future training needs.*
- ◆ *Some focus group participants believed that demographic information would be important to the success of incumbent worker training programs. This included information about immigration patterns across the state.*
- ◆ *They also believed that training providers needed mechanisms for determining employer training needs. Information about current training needs could be assessed directly from employers. However, information about future training needs would require additional data about future advances in technology and/or work processes.*

Top Issues⁷

The focus group sessions targeted input on issues from three participant groups, employers, workers and workforce professionals (including training providers). In order to determine the top issues, each of these groups addressed the following question – *If you were the Governor of Texas, what do you think should be the most important issues to be addressed before spending the State's resources (tax dollars) to help employers provide training for their currently workers?*

The issues identified in relation to the above question were clarified, modified and prioritized at each focus group session by using a Nominal Group Technique process. When the seven focus group sessions were complete, the top issues from each session were combined and sent to all focus group participants for further consideration. Each participant was asked to identify five issues they believed to be the most important. This resulted in a list of top issues statewide.

The process used to identify top issues made it possible to examine the issues to determine if any were more, or less, prevalent in a participant group. The issues, and the comparison, are based on the same eight general categories presented above.

EMPLOYER TOP ISSUES

ABILENE

- ◆ *Training in high schools – mandatory courses at the high school level on how to enter the workforce and what to expect*
- ◆ *Offering training within industries that offer future growth*
- ◆ *Providing financial assistance for reimbursement for certification cost for “tenured” workers to help promote advancement training as a benefit*
- ◆ *Determining the areas of employment with the greatest shortage of (skilled) workers and assessing the method to efficiently train and retain those workers*
- ◆ *Determining who is the best group or agency to provide the training*
- ◆ *Developing programs that are effective but not a bureaucratic nightmare for the employer*

ARLINGTON

- ◆ *Training management to deal with the problems and issues inherent in a low unemployment/high employment economy*
- ◆ *Initiating a formal adult education system that addresses literacy, personal development, growth and career research, especially for workers who do not attend college*
- ◆ *Recruiting and developing additional industries to accommodate varying levels of workers, specifically in less business intense areas such as South Texas, West Texas and the East Texas Piney Woods*
- ◆ *Providing child care and family support to workers in order for them to be able to access training*
- ◆ *Tying incumbent worker training dollars to a company's involvement with local School-to-Career or Welfare-to-Work initiatives*

⁷ The wording of some issues was modified to improve clarity.

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EL PASO

- ◆ *Using tax incentives given to private employers to do on-the-job training for older, established workers in order to upgrade technical and computer skills*
- ◆ *Completing a statewide backbone to enable comprehensive "wired" or "wireless" training and enabling everyone to access training by this method*
- ◆ *Minimizing bureaucratic process in the administration of the funds and getting efficiently trained workers back on the job*
- ◆ *Developing streamlined, efficient, cost effective training programs that are realistic, business friendly (especially to small businesses) and that take into account regional differences and requirements for accessing training and the income resource limitations of the border region*
- ◆ *Privatizing adult education programs and services*

HOUSTON

- ◆ *Training that helps workers and employers deal with substance abuse and behavioral issues*
- ◆ *Training that is related to a statewide economic model based on :*
 - ◆ *Supply*
 - ◆ *Demand*
 - ◆ *Stability*
 - ◆ *Administrative efficiency*
 - ◆ *Effectiveness*
- ◆ *Finding solutions for internal problems at Texas Workforce Commission, including:*
 - ◆ *High turnover*
 - ◆ *Lack of stability*
 - ◆ *Lack of consistency*
 - ◆ *Constant re-organization*
 - ◆ *Massive paperwork*
 - ◆ *Deciding who, what, where the dollars should go*
 - ◆ *Training enhancement programs that will help with retention and promotion*
 - ◆ *Improving our national reputation*

LAREDO

- ◆ *Allocating monies by regional areas in terms of needs (i.e., unemployment rate, poverty, etc.) and not population*
- ◆ *Eliminating illiteracy at each workplace through funding*
- ◆ *Determining who will fund the expenses, understanding that productivity, labor and lost control are the businesses main objective, and ensuring that there is a focus on small business*
- ◆ *Finding qualified trainers for specific skills*
- ◆ *Providing funds for certified training in different industries that are crucial to the economy in certain areas*

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LUFKIN

No employers participated during the Lufkin focus group

SAN ANTONIO

- ◆ *Developing funding mechanisms that are accessible, flexible for employers and easy to use*
- ◆ *Assessing which programs in both the public and private sector are successful, then promoting those programs and dropping the unsuccessful ones*
- ◆ *Training the unskilled to the point that a "working" lifestyle is better than a welfare lifestyle*
- ◆ *Defining expectations clearly about how to measure the success of state supported training*
- ◆ *Providing a continuous forum between government and employers to understand the changing needs of employers*

PREVALENCE

As a group, the employers believed issues related to training quality and program control were the most important. Issues related to program goals, ancillary services, buy-in and information needs were of moderate importance. Issues related to promotion and who to train were of little importance. Table 3. shows how the top employer identified issues compare to the eight general categories.

Table 3. EMPLOYER ISSUES

| General Category | Number of top issues |
|-------------------------|-----------------------------|
| Quality of training | 11 |
| Control | 8 |
| Buy-in | 4 |
| Goals and outcomes | 3 |
| Ancillary services | 3 |
| Information needs | 2 |
| Promotion and marketing | 0 |
| Who to train | 0 |

WORKER TOP ISSUES

ABILENE

No workers participated at the Abilene focus group

ARLINGTON

- ◆ *Ensuring that the project is viewed as only one piece of the whole issue of incumbent workers and incumbent worker training*
- ◆ *Identifying other resources, in addition to dollars, that are necessary to make the program a success*
- ◆ *Determining the cost/benefit to the community*
- ◆ *Using measurable goals to analyze the program*
- ◆ *Ensuring that the program is compatible with business trends*

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EL PASO

- ◆ *Allowing workers with specialized skills to cross-train to learn other skills that are not in their area of specialization but will help them to accomplish the goals of the company*
- ◆ *Focusing on training that will result in a financially and economically stable situation for the area, company, person and their family*
- ◆ *Providing funds that will enable all workers to benefit from the training program*
- ◆ *Targeting self-esteem goals and helping workers to change their learned behaviors, attitudes and ability to communicate*
- ◆ *Determining if the company is ethical and is willing to train all workers no matter which position they have within the company and regardless of gender or race*
- ◆ *Determining if the company is located in an area that actually needs help*

HOUSTON

No workers participated at the Houston focus group.

LAREDO

No workers participated at the Laredo focus group

LUFKIN

No workers participated at the Lufkin focus group

SAN ANTONIO

No workers participated at the San Antonio focus group.

PREVALENCE

As a group, the workers believed issues related to goals and program control were the most important. Issues related to training quality, information needs and buy-in were of moderate importance. Issues related to ancillary services, promotion and who to train were of little importance. Table 4. shows how the top worker identified issues compare to the eight general categories.

Table 4. WORKER ISSUES

| General Category | Number of top issues |
|-------------------------|-----------------------------|
| Goals and outcomes | 3 |
| Control | 3 |
| Quality of training | 2 |
| Information needs | 2 |
| Buy-in | 1 |
| Ancillary services | 0 |
| Promotion and marketing | 0 |
| Who to train | 0 |

WORKFORCE PROFESSIONAL TOP ISSUES

ABILENE

- ◆ *Judging return on investment and bottom line benefits to the employer, the worker and the state*
- ◆ *Giving local areas and employers the flexibility to determine their needs*
- ◆ *Ensuring accessibility to all employers*
- ◆ *Putting together a flexible program that is easy to understand and is easy to access*
- ◆ *Showing results and ensuring that they are the right results*
- ◆ *Determining who will specify how dollars will be spent*

ARLINGTON

- ◆ *Ensuring that (a) the grant process is not as slow as current programs (i.e., Skills Development Fund and Smart Jobs), (b) the Workforce Employment Course Manual being developed by Texas Higher Education Coordinating Board is modified to become more meaningful, (c) the emphasis of the program is on worker retention and (d) training providers are encouraged to invest money in program development*
- ◆ *Emphasizing that all workers need to be brought up to a basic level of reading, math and computer skills*
- ◆ *Expediting the process by eliminating unnecessary paperwork, expediting funding approval and educating state workers about employer needs*
- ◆ *Providing funding for soft skills training such as communication, leadership, conflict management, etc.*
- ◆ *Evaluating whether or not the program has made a difference*
- ◆ *Ensuring mutual commitment and mutual benefit in the program for the state, the employer, the employee and the training provider*

EL PASO

- ◆ *Making sure the program has information about current economic and demographic conditions including the level of education per capita, the average income of state and city residents and the unemployment rate*
- ◆ *Bringing workers into the loop and ensuring that the workers recognize the value of the training for themselves and the company*
- ◆ *Providing equal access to the training for temporary and other contingent workers*
- ◆ *Making sure that training programs are accountable, have measurable outcomes, have realistic training costs and that participation leads to jobs growth with higher earnings for workers*
- ◆ *Developing training that will attract new companies to the state*
- ◆ *Providing information about trends in the employer base, skills levels, education levels, employee turnover and dropout rates*

HOUSTON

- ◆ *Dividing dollars fairly across state and diverse populations*
- ◆ *Training based on labor market information – determination and justification of type of training, industries and employer targets statewide; timeliness – will this training be useful in the long run; result – will the trainee be able to get a better job or better salary*

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- ◆ *Devising a system that is user friendly for both employers and workers. (Example, Smart jobs is cumbersome and paper intensive). Training must be in an easily accessible location and at the time it is offered*
- ◆ *Using resources to target the low skill and wage workers and to prevent creaming*

LAREDO

- ◆ *Guaranteeing flexibility*
- ◆ *Providing basic computer literacy courses for everyone at the workplace or centrally located training site to be sponsored by private and public funds*
- ◆ *Spending more monies for training in all fields*
- ◆ *Using some training funds for on-the-job training*
- ◆ *Raising the income levels along the border areas so that it is easier to attract and retain qualified workers*
- ◆ *Including basic skills (ESL and GED), job specific skills, skills such as customer service, public speaking, interpersonal communication and cross-training workers*
- ◆ *Having training for food stamp recipients in different occupations and at different sites*

LUFKIN

- ◆ *Allocating adequate resources*
- ◆ *Marketing*
- ◆ *Providing rural area employers with cutting edge training facilities*
- ◆ *Providing incentives for employers/workers – such as tax cuts*
- ◆ *Identifying training needs*
- ◆ *Determining who is eligible (company) – qualification of companies – all, part, small, large*
- ◆ *Deciding which employers will be eligible for services – selection criteria*

SAN ANTONIO

- ◆ *Developing regional plans that address economic development, workforce development and incumbent worker training and that have involved all of the stakeholders in the plan development*
- ◆ *Determining if it is a demand occupation or industry before spending the money*
- ◆ *Ensuring a high level of involvement of employers*
- ◆ *Determining the effectiveness of the current workforce system and understanding of these programs by agencies*
- ◆ *Training for jobs that pay a living wage, show indications of growth, will provide future employment, have benefits, have career pathways and understand the importance of lifelong learning*
- ◆

PREVALENCE

As a group, the workforce professionals believed issues related to program control and training quality were the most important. Issues related to goals, buy-in and information needs were of moderate importance. Issues related to ancillary services, promotion and who to train were of little importance.

Table 5 shows how the top workforce professional identified issues compare to the eight general categories.

Table 5. WORKFORCE PROFESSIONAL ISSUES

| General Category | Number of top issues |
|-------------------------|----------------------|
| Control | 15 |
| Quality of training | 9 |
| Goals and outcomes | 6 |
| Information needs | 5 |
| Buy-in | 4 |
| Promotion and marketing | 1 |
| Who to train | 1 |
| Ancillary services | 0 |

Top Issues by Area

The issues that were included on the statewide top issues list were determined at each focus group session. Each small group (employer, worker and workforce professional) brought their top issues forward to the full group for additional prioritization. After the completion of the focus groups, all top issues were sent to all participants. They were asked to identify their top five and to return the list. The top issues identified at each focus group session, and from the statewide prioritization process, are listed below.

ABILENE

- ◆ *Putting together a flexible program that is easy to understand and is easy to access*
- ◆ *Training in high school – mandatory courses at high school level on how to enter the workforce and what to expect*
- ◆ *Giving local areas and employers the flexibility to determine their needs*
- ◆ *Ensuring return on investment and bottom line benefits to the employer, the worker and the state*
- ◆ *Determining areas of employment with the greatest shortages of skilled workers and assessing the method to efficiently train and retain those workers*

ARLINGTON

- ◆ *Recognizing the importance and value of (a) return on investment, (b) skills assessments and (c) evaluation of what is being provided to determine if it's making the right difference*
- ◆ *Training management to deal with the problems and issues inherent in a low unemployment/high employment economy*
- ◆ *Providing childcare and family support to workers so that they can access training*
- ◆ *Initiating a formal adult education system targeted at adults who do not attend college and that addresses literacy, personal development and growth and career research*
- ◆ *Tying incumbent worker training dollars to company involvement in School-to-Careers or Welfare-to-Work initiatives*

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EL PASO

- ◆ *Taking into account the need for (a) streamlined, efficient, cost effective training programs, (b) realistic, business friendly program implementation (especially for small businesses), (c) requirements based on regional differences and accessibility to training and (d) consideration of the income resource limitations of the border region*
- ◆ *Minimizing bureaucratic processes in administering funds and getting effectively trained workers back on the job*
- ◆ *Including programs that address self-esteem goals, change learned behavior, change attitudes and help individuals learn to communicate better*
- ◆ *Making sure that training programs are available and accountable, including measurable outcomes, training costs and job growth for trained workers*
- ◆ *Determining if training will result in a financially and economically stable situation for the area, company, person and family*

HOUSTON

- ◆ *Training that is related to a statewide economic model based on:*
 - ◆ *Supply*
 - ◆ *Demand*
 - ◆ *Stability*
 - ◆ *Administrative efficiency*
 - ◆ *Effectiveness*
- ◆ *Providing a fair division of dollars across state and diverse population rather than by political concerns (no pork barrel).*
- ◆ *Creating a user friendly system for both employers and workers. (Ex. Smart Jobs is cumbersome and paper intensive). Training must be easily accessible – time and location.*
- ◆ *Working with behavioral health issues (e.g. mental health, substance abuse)*
- ◆ *Targeting the low skill and wage workers and prevent “creaming”.*

LAREDO

- ◆ *Ensuring that the grant allocation allowed flexibility*
- ◆ *Sending more monies for training in all fields, not just money for training the top job needs*
- ◆ *Allocating monies by regional areas in terms of training needs, not by population*
- ◆ *Ensuring that there are culturally qualified trainers to train specific skills*
- ◆ *Training workers in computer literacy and creating training sites at workplaces and/or centrally located areas*

LUFKIN

- ◆ *Allocating adequate resources*
- ◆ *Marketing*
- ◆ *Providing rural area employers with cutting edge training facilities.*
- ◆ *Providing incentives for employers/workers – such as tax cuts.*

- ◆ *Identifying training needs.*
- ◆ *Determining who is eligible (company) – qualification of companies – all, part, small, large?*
- ◆ *Deciding which employers will be eligible for services – selection criteria.*

SAN ANTONIO

- ◆ *Developing regional plans that have involved all stakeholders and that address economic development, workforce development and incumbent workers*
- ◆ *Providing a continuous forum between government and employers to understand the changing needs of employers*
- ◆ *Developing funding mechanisms that are accessible, flexible and easy to use for employers*
- ◆ *Assessing those programs in both the public and private sector that are successful, then promoting those programs and dropping the unsuccessful programs*
- ◆ *Defining expectations clearly about how to measure the success of state supported training*

Top Issues Statewide

The top issues statewide (in no particular order) were as follows.

- ◆ *Allocating resources to regions/areas according to the region's training needs (i.e., unemployment ratio, poverty, etc.) not just by population*
- ◆ *Having the program be results-driven with measurable objectives such as cost effectiveness, job growth, increased earnings and return on investment*
- ◆ *Locally determining the occupations with the greatest shortage of skilled workers and assess the methods to efficiently train and re-train those workers*
- ◆ *Making it easy to apply for funds, administer the program and provide training to workers*
- ◆ *Targeting low-skill and low-wage workers rather than upper management.*

Additional Considerations

Special note needs to be made of two very relevant issues that surfaced during the focus group discussions but were not included in the top 5 issues. The first issue involved changing the mindset of current workforce professionals. Participants at several focus groups felt that it would be very difficult for workforce professionals to change from their current modes of operation in dealing with disadvantaged and dislocated workers to the modes of operation necessary for dealing with incumbent workers. This situation was evidenced by several issue areas that seemed to crop up in every focus group, but were not necessarily relevant to a discussion about training for incumbent workers. The individuals who brought up this concern believed that workforce professionals, including training providers, would need extensive professional development to make the transition.

The second issue was that of eligibility and benefit. Some focus group participants felt that eligibility criteria should be designed for employers and that employers should be the primary beneficiary of the training program. Other focus group participants felt that eligibility criteria should focus on individuals and that individuals should be the primary beneficiary of the program. Underlying this discussion was the tacit realization that "what is good for an employer is not necessarily good for an employee, and vice versa." For example, some focus group participants were concerned that the program would hurt employers because well-trained workers would leave for better jobs. On the other hand, other focus

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group participants were concerned that workers could be hurt by the program if they had to sign “retention contracts” with employers and would not be able to take advantage of better job offers. Another version of this dilemma concerned the employee who wanted to change careers. For example, should a low-pay food service worker be restricted to training in food-service occupations or should they be allowed to explore other high-pay career options such as electronic technology or health care?

These two issues are especially relevant because they will determine the philosophical underpinning of any incumbent worker training program. Adequate professional development for an individual who is involved in administering, or providing services to, an incumbent worker program is an absolute necessity. Workforce professionals must thoroughly understand that the issues surrounding the training of incumbent workers are not necessarily the same as the issues surrounding the training of entry-level workers. They must also understand that there will be differences between employer issues and employee issues. Under the right circumstances, a training program for incumbent workers would be an excellent opportunity to create a winning situation for the employee, the employer and the State of Texas. However, if a balance is not maintained between what is good for the individual, what is good for the company and what is good for the state, an incumbent worker training program may also prove to be a pariah in which all parties feel cheated or deceived.

APPENDIX C
Employer Survey

QUESTIONS AND RESULTS FROM TWC CONDUCTED EMPLOYER SURVEY

1. How many people does your company employ?

| Company Size | # | % |
|--------------------|------------|----------------|
| 0 - 5 Employees | 37 | 14.70% |
| 6 - 25 Employees | 96 | 38.20% |
| 26 - 100 Employees | 67 | 26.70% |
| Over 100 Employees | 51 | 20.30% |
| Total | 251 | 100.00% |

2. Rate the degree of difficulty your company is experiencing in finding qualified workers.

| Difficulty Finding | # | % |
|--------------------------|------------|----------------|
| 1 Easy to find | 6 | 2.50% |
| 2 | 22 | 9.20% |
| 3 | 64 | 26.80% |
| 4 | 91 | 38.10% |
| 5 Very difficult to find | 56 | 23.40% |
| Total | 239 | 100.00% |

By size of firm:

| Difficulty Finding Qualified Employees | Difficulty | SIZE of FIRM (# Employees) | | | Total |
|--|------------|----------------------------|------------|------------|---------|
| | | (0 - 25) | (26 - 100) | (Over 100) | |
| 1 Easy | # Firms | 4 | 1 | 1 | 6 |
| | % Group | 66.70% | 16.70% | 16.70% | 100.00% |
| | % Size | 3.20% | 1.50% | 2.10% | 2.50% |
| | % Total | 1.70% | 0.40% | 0.40% | 2.50% |
| 2 | # Firms | 11 | 5 | 6 | 22 |
| | % Group | 50.00% | 22.70% | 27.30% | 100.00% |
| | % Size | 8.80% | 7.70% | 12.80% | 9.30% |
| | % Total | 4.60% | 2.10% | 2.50% | 9.30% |
| 3 | # Firms | 34 | 21 | 8 | 63 |
| | % Group | 54.00% | 33.30% | 12.70% | 100.00% |
| | % Size | 27.20% | 32.30% | 17.00% | 26.60% |
| | % Total | 14.30% | 8.90% | 3.40% | 26.60% |
| 4 | # Firms | 48 | 24 | 19 | 91 |
| | % Group | 52.70% | 26.40% | 20.90% | 100.00% |
| | % Size | 38.40% | 36.90% | 40.40% | 38.40% |
| | % Total | 20.30% | 10.10% | 8.00% | 38.40% |
| 5 Very difficult | # Firms | 28 | 14 | 13 | 55 |
| | % Group | 50.90% | 25.50% | 23.60% | 100.00% |
| | % Size | 22.40% | 21.50% | 27.70% | 23.20% |
| | % Total | 11.80% | 5.90% | 5.50% | 23.20% |
| Total | # Firms | 125 | 65 | 47 | 237 |
| | % Group | 52.70% | 27.40% | 19.80% | 100.00% |
| | % Size | 100.00% | 100.00% | 100.00% | 100.00% |
| | % Total | 52.70% | 27.40% | 19.80% | 100.00% |

3. What industry is your company in?

| Business Type | # | % |
|--------------------------------|------------|----------------|
| Health Care/Medicine | 51 | 20.20% |
| Business Services | 32 | 12.70% |
| Other | 26 | 10.30% |
| Manufacturing | 23 | 9.10% |
| Retail | 21 | 8.30% |
| Construction | 18 | 7.10% |
| Human Services/Social Services | 14 | 5.60% |
| Government | 12 | 4.80% |
| Personal Services | 11 | 4.40% |
| Finance/Banking/Accounting | 10 | 4.00% |
| Education | 6 | 2.40% |
| Utility | 6 | 2.40% |
| Agriculture/Forestry | 5 | 2.00% |
| Computer Hardware/Software | 5 | 2.00% |
| Transportation | 5 | 2.00% |
| Oil/Gas/Mining | 4 | 1.60% |
| Tourism/Hospitality | 3 | 1.20% |
| Total | 252 | 100.00% |

By site:

| | SITE | | | | | Total |
|----------------------|-------------|--------------------|----------------------|--------------|------------------------|--------------|
| | Waco | Brownsville | Wichita Falls | Tyler | College Station | |
| Agriculture/Forestry | 2 | | 1 | 2 | | 5 |
| Government | 2 | 1 | 5 | 3 | 1 | 12 |
| Tourism/Hospitality | | | 1 | | 2 | 3 |
| Construction | 4 | 1 | 4 | 7 | 2 | 18 |
| Health Care | 8 | 16 | 6 | 16 | 5 | 51 |
| Business Services | 8 | 4 | 3 | 15 | 2 | 32 |
| Personal Services | 4 | | 2 | 5 | | 11 |
| Manufacturing | 10 | 3 | 4 | 5 | 1 | 23 |
| Education | 3 | | 3 | | | 6 |
| Oil/Gas/Mining | 1 | 1 | 2 | | | 4 |
| Retail | | 4 | 7 | 7 | 3 | 21 |
| Computer | | | | 4 | 1 | 5 |
| Transportation | 2 | 1 | | 2 | | 5 |
| Other | 10 | 2 | 5 | 5 | 4 | 26 |
| Human | 6 | 3 | | 4 | 1 | 14 |
| Finance/Banking | 4 | | 1 | 3 | 2 | 10 |
| Utility | 1 | | | 4 | 1 | 6 |
| Total | 65 | 36 | 44 | 82 | 25 | 252 |

By size of firm:

| | | SIZE of FIRM (# Employees) | | | Total |
|----------------------|------------|----------------------------|------------|------------|---------|
| | | (0 - 25) | (26 - 100) | (Over 100) | |
| Agriculture/Forestry | # Firms | 3 | 1 | 1 | 5 |
| | % Industry | 60.00% | 20.00% | 20.00% | 100.00% |
| | % Size | 2.30% | 1.50% | 2.00% | 2.00% |
| | % Total | 1.20% | 0.40% | 0.40% | 2.00% |
| Government | # Firms | 4 | 5 | 3 | 12 |
| | % Industry | 33.30% | 41.70% | 25.00% | 100.00% |
| | % Size | 3.00% | 7.50% | 5.90% | 4.80% |
| | % Total | 1.60% | 2.00% | 1.20% | 4.80% |
| Tourism/Hospitality | # Firms | 2 | | 1 | 3 |
| | % Industry | 66.70% | | 33.30% | 100.00% |
| | % Size | 1.50% | | 2.00% | 1.20% |
| | % Total | 0.80% | | 0.40% | 1.20% |
| Construction | # Firms | 12 | 3 | 3 | 18 |
| | % Industry | 66.70% | 16.70% | 16.70% | 100.00% |
| | % Size | 9.10% | 4.50% | 5.90% | 7.20% |
| | % Total | 4.80% | 1.20% | 1.20% | 7.20% |
| Health Care/Medicine | # Firms | 22 | 18 | 11 | 51 |
| | % Industry | 43.10% | 35.30% | 21.60% | 100.00% |
| | % Size | 16.70% | 26.90% | 21.60% | 20.40% |
| | % Total | 8.80% | 7.20% | 4.40% | 20.40% |
| Business Services | # Firms | 26 | 4 | 2 | 32 |
| | % Industry | 81.30% | 12.50% | 6.30% | 100.00% |
| | % Size | 19.70% | 6.00% | 3.90% | 12.80% |
| | % Total | 10.40% | 1.60% | 0.80% | 12.80% |
| Personal Services | # Firms | 8 | 3 | | 11 |
| | % Industry | 72.70% | 27.30% | | 100.00% |
| | % Size | 6.10% | 4.50% | | 4.40% |
| | % Total | 3.20% | 1.20% | | 4.40% |
| Manufacturing | # Firms | 5 | 7 | 11 | 23 |
| | % Industry | 21.70% | 30.40% | 47.80% | 100.00% |
| | % Size | 3.80% | 10.40% | 21.60% | 9.20% |
| | % Total | 2.00% | 2.80% | 4.40% | 9.20% |
| Education | # Firms | | 3 | 3 | 6 |
| | % Industry | | 50.00% | 50.00% | 100.00% |
| | % Size | | 4.50% | 5.90% | 2.40% |
| | % Total | | 1.20% | 1.20% | 2.40% |

4. Does your company believe that training or education of your current workforce is important to its future success and competitiveness?

| Why Train? | # | % |
|--|------------|----------------|
| Better employees = More successful company | 23 | 19.30% |
| Stay up with change in industry/profession | 22 | 18.50% |
| Remain competitive/Maintain quality services | 20 | 16.80% |
| Stay up with change in technology | 20 | 16.80% |
| Job requires special training | 16 | 13.40% |
| Other | 8 | 6.70% |
| Overcome lack on skills in new employees | 4 | 3.40% |
| To avoid problems | 4 | 3.40% |
| Cheaper than hiring new employees | 2 | 1.70% |
| Total | 119 | 100.00% |

By size of firm:

| | | SIZE of FIRM | | | Total |
|--|---------|--------------|------------|---------|---------|
| | | (0 - 25) | (26 - 100) | (100+) | |
| Remain competitive/Maintain quality services | # Firms | 12 | 6 | 2 | 20 |
| | % Group | 60.00% | 30.00% | 10.00% | 100.00% |
| | % Size | 11.10% | 10.50% | 4.40% | 9.50% |
| | % Total | 5.70% | 2.90% | 1.00% | 9.50% |
| Stay up with change in industry/profession | # Firms | 12 | 7 | 3 | 22 |
| | % Group | 54.50% | 31.80% | 13.60% | 100.00% |
| | % Size | 11.10% | 12.30% | 6.70% | 10.50% |
| | % Total | 5.70% | 3.30% | 1.40% | 10.50% |
| Stay up with change in technology | # Firms | 8 | 6 | 6 | 20 |
| | % Group | 40.00% | 30.00% | 30.00% | 100.00% |
| | % Size | 7.40% | 10.50% | 13.30% | 9.50% |
| | % Total | 3.80% | 2.90% | 2.90% | 9.50% |
| Better employees = More successful company | # Firms | 11 | 5 | 7 | 23 |
| | % Group | 47.80% | 21.70% | 30.40% | 100.00% |
| | % Size | 10.20% | 8.80% | 15.60% | 11.00% |
| | % Total | 5.20% | 2.40% | 3.30% | 11.00% |
| Overcome lack on skills in new employees | # Firms | 3 | 1 | | 4 |
| | % Group | 75.00% | 25.00% | | 100.00% |
| | % Size | 2.80% | 1.80% | | 1.90% |
| | % Total | 1.40% | 0.50% | | 1.90% |
| Job requires special training | # Firms | 9 | 4 | 3 | 16 |
| | % Group | 56.30% | 25.00% | 18.80% | 100.00% |
| | % Size | 8.30% | 7.00% | 6.70% | 7.60% |
| | % Total | 4.30% | 1.90% | 1.40% | 7.60% |
| Other | # Firms | 5 | 2 | 1 | 8 |
| | % Group | 62.50% | 25.00% | 12.50% | 100.00% |
| | % Size | 4.60% | 3.50% | 2.20% | 3.80% |
| | % Total | 2.40% | 1.00% | 0.50% | 3.80% |
| Yes | # Firms | 45 | 24 | 22 | 91 |
| | % Group | 49.50% | 26.40% | 24.20% | 100.00% |
| | % Size | 41.70% | 42.10% | 48.90% | 43.30% |
| | % Total | 21.40% | 11.40% | 10.50% | 43.30% |
| To avoid problems | # Firms | 2 | 2 | | 4 |
| | % Group | 50.00% | 50.00% | | 100.00% |
| | % Size | 1.90% | 3.50% | | 1.90% |
| | % Total | 1.00% | 1.00% | | 1.90% |
| Cheaper than hiring new employees | # Firms | 1 | | 1 | 2 |
| | % Group | 50.00% | | 50.00% | 100.00% |
| | % Size | 0.90% | | 2.20% | 1.00% |
| | % Total | 0.50% | | 0.50% | 1.00% |
| Total | # Firms | 108 | 57 | 45 | 210 |
| | % Group | 51.40% | 27.10% | 21.40% | 100.00% |
| | % Size | 100.00% | 100.00% | 100.00% | 100.00% |
| | % Total | 51.40% | 27.10% | 21.40% | 100.00% |

5. Does your company hold the view that: *(Check one)*

- Employees are responsible for their own training
- The company is responsible for training its employees
- Training is a shared responsibility between the employee and the company

| Training Responsibility | # | % |
|--|------------|----------------|
| Employees are responsible for their own training | 3 | 1.20% |
| The company is responsible for training its employees | 39 | 15.60% |
| Training is a shared responsibility - employee and company | 208 | 83.20% |
| Total | 250 | 100.00% |

By size of firm:

| Who's Responsible? | | SIZE of FIRM | | | Total |
|---------------------------|----------------|---------------------|-------------------|---------------|--------------|
| | | (0 - 25) | (26 - 100) | (100+) | |
| Employees | # Firms | 2 | 1 | | 3 |
| | % Group | 66.70% | 33.30% | | 100.00% |
| | % Size | 1.50% | 1.50% | | 1.20% |
| | % Total | 0.80% | 0.40% | | 1.20% |
| The company | # Firms | 16 | 15 | 7 | 38 |
| | % Group | 42.10% | 39.50% | 18.40% | 100.00% |
| | % Size | 12.30% | 22.40% | 13.70% | 15.30% |
| | % Total | 6.50% | 6.00% | 2.80% | 15.30% |
| Shared | # Firms | 112 | 51 | 44 | 207 |
| | % Group | 54.10% | 24.60% | 21.30% | 100.00% |
| | % Size | 86.20% | 76.10% | 86.30% | 83.50% |
| | % Total | 45.20% | 20.60% | 17.70% | 83.50% |
| Total | # Firms | 130 | 67 | 51 | 248 |
| | % Group | 52.40% | 27.00% | 20.60% | 100.00% |
| | % Size | 100.00% | 100.00% | 100.00% | 100.00% |
| | % Total | 52.40% | 27.00% | 20.60% | 100.00% |

What are the barriers that prevent your company from investing in additional education or training for your current workforce?

| Barrier | Size of Firm | | | Total | % Total |
|----------------------------------|--------------|--------|-------|-------|---------|
| | Small | Medium | Large | | |
| none | 13 | 3 | 5 | 21 | 9.1% |
| low employee motivation | 4 | 3 | 2 | 9 | 3.9% |
| low employee education | 2 | 0 | 0 | 2 | 0.9% |
| time | 27 | 18 | 8 | 53 | 22.9% |
| money | 54 | 25 | 17 | 96 | 41.6% |
| employee personal time | 3 | 0 | 1 | 4 | 1.7% |
| difficulty finding quality train | 9 | 8 | 2 | 19 | 8.2% |
| high turnover | 7 | 2 | 3 | 12 | 5.2% |
| not needed, workforce adeq | 2 | 0 | 0 | 2 | 0.9% |
| other | 4 | 3 | 3 | 10 | 4.3% |
| language | 2 | 1 | 0 | 3 | 1.3% |
| | 127 | 63 | 41 | 231 | 100.0% |

6. Is your company currently providing, or has it provided within the past three years, job-readiness training (proper dress, punctuality, teamwork skills, etc.) to employees in order for them to work as required?

| | SIZE of FIRM | | | Total |
|--------------|--------------|------------|--------|-------|
| | (0 - 25) | (26 - 100) | (100+) | |
| Yes | 58 | 36 | 33 | 127 |
| No | 69 | 27 | 16 | 112 |
| Total | 127 | 63 | 49 | 239 |

- a. If yes, briefly list the topics covered in the training

| Basic Skill Training | Small | Medium | Large | Total | % Total |
|-----------------------------------|-------|--------|-------|-------|---------|
| company orientation | 29 | 11 | 11 | 51 | 37.00% |
| team concept | 7 | 4 | 5 | 16 | 11.60% |
| Safety | 9 | 5 | 2 | 16 | 11.60% |
| ongoing staff meetings | 7 | 4 | 1 | 12 | 8.70% |
| dress | 4 | 5 | 2 | 11 | 8.00% |
| customer relations/service | 4 | 4 | 2 | 10 | 7.20% |
| professionalism/attitude | 6 | 1 | 3 | 10 | 7.20% |
| other | 3 | 1 | 1 | 5 | 3.60% |
| communication skills | 2 | 1 | 1 | 4 | 2.90% |
| answer not applicable to question | 2 | 0 | 1 | 3 | 2.20% |
| | 73 | 36 | 29 | 138 | 100.00% |

7. Is your company currently providing, or has it provided within the past three years, work-related/technical skills training to employees in order for them to do the work required?

| | |
|----------------------------------|-----|
| firms with 25 or fewer employees | 48% |
| firms with 26-100 employees | 59% |
| firms with 100+ employees | 55% |
| all | 53% |

a. If yes, briefly list the topics covered in the training

| | Small | Medium | Large | Total | % Total |
|-----------------------------------|------------|-----------|-----------|------------|---------------|
| General job-related training | 14 | 15 | 7 | 36 | 13.8% |
| job-related technical training | 16 | 11 | 8 | 35 | 13.4% |
| hardware/software | 11 | 13 | 10 | 34 | 13.0% |
| safety | 15 | 4 | 8 | 27 | 10.3% |
| education/licensing/certification | 5 | 9 | 9 | 23 | 8.8% |
| equipment training | 10 | 6 | 2 | 18 | 6.9% |
| hardware/software | 8 | 7 | 1 | 16 | 6.1% |
| supervisory/management skills | 5 | 4 | 5 | 14 | 5.4% |
| trade skills | 7 | 3 | 3 | 13 | 5.0% |
| customer service/relations | 7 | 4 | 1 | 12 | 4.6% |
| other | 7 | 2 | 1 | 10 | 3.8% |
| gov't regulations/law | 4 | 2 | 2 | 8 | 3.1% |
| ongoing general education | 4 | 0 | 3 | 7 | 2.7% |
| driving | 4 | 2 | 0 | 6 | 2.3% |
| medical | 1 | 1 | 0 | 2 | 0.8% |
| Total | 118 | 83 | 60 | 261 | 100.0% |

b. What was the source of the training?

- | | |
|----------------------------------|---------------------------------|
| 1 Technical or Community College | 4 Your company itself |
| 2 Other Technical School | 5 Private company or consultant |
| 3 Other | |

| Training Source | Small | Medium | Large | Total | % of Total |
|---------------------------------------|------------|-----------|-----------|------------|---------------|
| Your company itself | 45 | 30 | 31 | 106 | 42.9% |
| Private company or consultant | 38 | 22 | 9 | 69 | 27.9% |
| Technical or Community College | 8 | 9 | 10 | 27 | 10.9% |
| Other Technical School | 10 | 2 | 3 | 15 | 6.1% |
| seminars | 7 | 0 | 1 | 8 | 3.2% |
| Trade or professional group | 5 | 2 | 0 | 7 | 2.8% |
| Other (Please describe) text | 1 | 3 | 1 | 5 | 2.0% |
| Combination of 4 or more of the above | 1 | 1 | 2 | 4 | 1.6% |
| Government/regulatory body | 1 | 2 | 0 | 3 | 1.2% |
| tapes or books | 2 | 1 | 0 | 3 | 1.2% |
| Total | 118 | 72 | 57 | 247 | 100.0% |

8. Would your company be willing to work with your Local Workforce Development Board to design and secure a customized skills-training project for your current employees?

| | |
|----------|-----|
| Yes | 80% |
| No | 9% |
| Not sure | 11% |

If no, why not?

| Why Not? | # | % |
|----------------------|-----------|----------------|
| Not needed | 10 | 40.00% |
| Concerns about time | 5 | 20.00% |
| Concerns about money | 1 | 4.00% |
| Maybe, possibly | 3 | 12.00% |
| Other | 6 | 24.00% |
| Total | 25 | 100.00% |

By size of firm:

| | | SIZE of FIRM | | | Total |
|-----------------------------|----------------|--------------|------------|---------|---------|
| | | (0 - 25) | (26 - 100) | (100+) | |
| Not needed | # Firms | 8 | 1 | 1 | 10 |
| | % Group | 80.00% | 10.00% | 10.00% | 100.00% |
| | % Size | 44.40% | 25.00% | 33.30% | 40.00% |
| | % Total | 32.00% | 4.00% | 4.00% | 40.00% |
| Concerns about time | # Firms | 5 | | | 5 |
| | % Group | 100.00% | | | 100.00% |
| | % Size | 27.80% | | | 20.00% |
| | % Total | 20.00% | | | 20.00% |
| Concerns about money | # Firms | 1 | | | 1 |
| | % Group | 100.00% | | | 100.00% |
| | % Size | 5.60% | | | 4.00% |
| | % Total | 4.00% | | | 4.00% |
| Maybe, possibly | # Firms | 1 | 1 | 1 | 3 |
| | % Group | 33.30% | 33.30% | 33.30% | 100.00% |
| | % Size | 5.60% | 25.00% | 33.30% | 12.00% |
| | % Total | 4.00% | 4.00% | 4.00% | 12.00% |
| Other | # Firms | 3 | 2 | 1 | 6 |
| | % Group | 50.00% | 33.30% | 16.70% | 100.00% |
| | % Size | 16.70% | 50.00% | 33.30% | 24.00% |
| | % Total | 12.00% | 8.00% | 4.00% | 24.00% |
| Total | # Firms | 18 | 4 | 3 | 25 |
| | % Group | 72.00% | 16.00% | 12.00% | 100.00% |
| | % Size | 100.00% | 100.00% | 100.00% | 100.00% |
| | % Total | 72.00% | 16.00% | 12.00% | 100.00% |

9. Would your company be willing to work collaboratively with other employers in your industry sector to design and secure a customized skills-training project for your current employees?

| | | | SIZE of FIRM | | | Total |
|-------|---------|---------|--------------|------------|---------|---------|
| | | | (0 - 25) | (26 - 100) | (100+) | |
| | Yes | # Firms | 71 | 41 | 35 | 147 |
| | | % Group | 48.30% | 27.90% | 23.80% | 100.00% |
| | | % Size | 75.50% | 85.40% | 92.10% | 81.70% |
| | | % Total | 39.40% | 22.80% | 19.40% | 81.70% |
| | No | # Firms | 23 | 7 | 3 | 33 |
| | | % Group | 69.70% | 21.20% | 9.10% | 100.00% |
| | | % Size | 24.50% | 14.60% | 7.90% | 18.30% |
| | | % Total | 12.80% | 3.90% | 1.70% | 18.30% |
| Total | # Firms | 94 | 48 | 38 | 180 | |
| | % Group | 52.20% | 26.70% | 21.10% | 100.00% | |
| | % Size | 100.00% | 100.00% | 100.00% | 100.00% | |
| | % Total | 52.20% | 26.70% | 21.10% | 100.00% | |

If no, why not?

| Work With Industry? | # | % |
|---------------------|----|---------|
| Not needed | 13 | 32.50% |
| Concerns about time | 5 | 12.50% |
| Maybe, possibly | 11 | 27.50% |
| Other | 9 | 22.50% |
| 6 | 2 | 5.00% |
| Total | 40 | 100.00% |

By size of firm:

| | | | SIZE of FIRM | | | Total |
|-------|---------------------|---------|--------------|------------|---------|---------|
| | | | (0 - 25) | (26 - 100) | (100+) | |
| | Not needed | # Firms | 10 | 2 | 1 | 13 |
| | | % Group | 76.90% | 15.40% | 7.70% | 100.00% |
| | | % Size | 34.50% | 25.00% | 33.30% | 32.50% |
| | | % Total | 25.00% | 5.00% | 2.50% | 32.50% |
| | Concerns about time | # Firms | 5 | | | 5 |
| | | % Group | 100.00% | | | 100.00% |
| | | % Size | 17.20% | | | 12.50% |
| | | % Total | 12.50% | | | 12.50% |
| | Maybe, possibly | # Firms | 5 | 4 | 2 | 11 |
| | | % Group | 45.50% | 36.40% | 18.20% | 100.00% |
| | | % Size | 17.20% | 50.00% | 66.70% | 27.50% |
| | | % Total | 12.50% | 10.00% | 5.00% | 27.50% |
| | Other | # Firms | 7 | 2 | | 9 |
| | | % Group | 77.80% | 22.20% | | 100.00% |
| | | % Size | 24.10% | 25.00% | | 22.50% |
| | | % Total | 17.50% | 5.00% | | 22.50% |
| | 6 | # Firms | 2 | | | 2 |
| | | % Group | 100.00% | | | 100.00% |
| | | % Size | 6.90% | | | 5.00% |
| | | % Total | 5.00% | | | 5.00% |
| Total | # Firms | 29 | 8 | 3 | 40 | |
| | % Group | 72.50% | 20.00% | 7.50% | 100.00% | |
| | % Size | 100.00% | 100.00% | 100.00% | 100.00% | |
| | % Total | 72.50% | 20.00% | 7.50% | 100.00% | |

List the specific training topics that would benefit your company the most.

| Training Desired | # | % |
|---------------------------------|------------|----------------|
| Specialized/occupation specific | 47 | 28.80% |
| Computer/technology | 24 | 14.70% |
| Customer relations/service | 18 | 11.00% |
| Safety/first aid/cpr | 13 | 8.00% |
| Management | 11 | 6.70% |
| Basic job readiness skills - | 9 | 5.50% |
| Team work | 9 | 5.50% |
| Human resource topics | 9 | 5.50% |
| Other | 9 | 5.50% |
| Responsibility/work ethic | 7 | 4.30% |
| Math | 3 | 1.80% |
| Ongoing general education | 3 | 1.80% |
| Literacy | 1 | 0.60% |
| Total | 163 | 100.00% |

By size of firm:

| Training Desired | SIZE of FIRM | | | Total |
|-----------------------------------|---------------------|-------------------|---------------|--------------|
| | (0 - 25) | (26 - 100) | (100+) | |
| Specialized/occupation | 26 | 10 | 11 | 47 |
| Computer/technology | 13 | 9 | 2 | 24 |
| Customer relations/service | 12 | 3 | 3 | 18 |
| Safety/first aid/cpr | 5 | 2 | 6 | 13 |
| Management | 7 | 1 | 3 | 11 |
| Basic job readiness skills | 4 | 2 | 3 | 9 |
| Team work | 4 | 3 | 2 | 9 |
| Human resource topics | 5 | 1 | 3 | 9 |
| Other | 5 | 1 | 3 | 9 |
| Responsibility/work ethic | 5 | 1 | 1 | 7 |
| Math | 0 | 1 | 2 | 3 |
| Ongoing general education | 1 | 2 | 0 | 3 |
| Literacy | 0 | 1 | 0 | 1 |
| Total | 87 | 37 | 39 | 163 |

APPENDIX D

Local Development Board Survey

APPENDIX D: Local Workforce Development Board Survey

| Response | Number | Percent |
|----------|--------|---------|
| Yes | 14 | 56% |
| No | 11 | 44% |

Verbatim written response:

| If Yes, please describe: | Who are the participants? |
|--|--|
| No Helping employers/colleges prepare smart jobs/skills development fund application. Referring employees to community colleges. Currently preparing new OJT policies employers haven't identified it yet | |
| Excited interest, but no money. They have been doing research | ED, chamber, Bill Priest Institute |
| Meeting with employers, community leaders and training providers. Working with community colleges on skills development applications. | Board staff- Community Relations Coordinator; Community College staff; Employers |
| Info gathering-talking to employers, working with partners, needs identification. Etc. | Chamber of Commerce, Community College, Manufacturing and Health Profession |
| Beginning discussions on the subject. | Executive Committee of the Board |
| We have worked on several workplace based initiatives in the past; we anticipate that under WIA there may be some opportunities for the provision of incumbent worker training. The Board has a strategic plan goal to "Promote continuous learning and the development of workforce education and training programs that meet the needs of our customers" | |
| Yes, we are working with employers and other key players such as community transportation representatives to bring all resources to the table to help meet the needs of employers. | Other participants include literacy representatives, Chamber of Commerce, our contractor (Lockheed Martin IMS) |
| Looking at what we can do to expand the skills of the present workforce, identify what skills are lacking. Looking at ways to train people to move up, making room for new. Did in-depth economic and skills analysis of area during the last year. | Board's planning committee |
| Discussions have begun on the subject. | Board Chair along with the whole board |
| The issues involved in our area concerns are to develop GED, job specific training, upgrading employer skills in demand occupations. | Assistant Executive Director – South Texas WDB Planning Officer- South Texas WDB Career Center Director- SER Jobs for Progress |

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| | |
|--|---|
| Through its marketing efforts, the OneStop operator asks the employers it contacts if there are any needs that the employer may have regarding any training that may be needed by the employer and its employees (e.g. Retention Workshops for employers, Customer Service Training, etc.) | The Employment Services Unit in cooperation with the Facilitation Unit. |
| Currently working with one employer, with success will open door for other employers | At present board staff is working on this. Board members are yet to be engaged. |
| working with economic development corporations in Sherman, Dennison, and Bonham | former Board vice-chair and Sherman Chamber of Commerce Director |
| Yes. Skills Development Fund | Sierra Industries |

5. Are there any Skills Development Fund or Smart Jobs projects operating in your WDA?

| Response | Number | Percent |
|----------|--------|---------|
| Yes | 18 | 72% |
| No | 4 | 16% |
| N/A | 3 | 12% |

Verbatim written response:

| Please describe: | Board plays role? | What was (is) the role? |
|---|---|---|
| | Yes | Assisted in application preparation, provided LMI |
| | No | no...not even a coordinating role from the community college |
| There is a Skills Development Fund project currently ongoing with Vernon Community College and Stanley Tools. | indirectly | Provided LMI information for the project. |
| They'd have to look it up. Why don't I ask Richard Hall? They are always notified by letter of an application being sent. They always write back with comments & suggestions. Don't hear much after that. | never have had a role | |
| Yes there are a lot of projects. Afraid Smart Jobs will only be good for stress & ego reduction programs at its new higher wage requirement. | Yes, she plays an up front role in the development of applications. Feels plugged in. | |
| Yes | No | |
| There is a very long-standing SDF grant in Mt. Pleasant with TSTC, North East Texas Community College and a consortium of businesses: Lone Star Steel, Pilgrim's Pride and Texas Tubular. | Yes | The role we play is very passive, up until now we haven't wanted to have any more of a role. They do bring us the proposals and we "bless" them -- in one of the proposals TSTC wrote |

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| | | |
|---|--|--|
| | | for Tyson's Chicken in Carthage, we asked them to include the workforce center in recruiting for their project. |
| Yes. I am not fully aware of all operational projects. | Some participation in projects in Snyder and Brownwood. No role in development; Board member involvement with projects in Abilene and Brownwood. | Board members are participating in advisory committees as well as actual participants in projects. Board reviewed project in Brownwood and submitted letter of support with application. |
| Yes | No | |
| Yes | No | No |
| Not that we are aware of at this time | | |
| Both | Not involved at the front end, but once they had been informed, they became involved. | Refer W-t-W/TANF clients, what those clients may need |
| Yes | Yes | Yes. The Board's role in Skills Development and Smart Jobs projects has largely been an after the fact role of supporting already developed projects for funding. The new staff person at the community college who has been previously employed by TWC promises that the Board will have a more substantive role in the future. TWC has done little to ensure that Boards have a role in the process. |
| I don't believe there are any current projects. Those that were initially funded was without our participation or knowledge. I think we now get reports identifying projects. We have provided a lot of information about these two projects for those wanting to participate.. | | |
| 2 projects initiated at Blinn College | | |
| * Skills Development – a partnership of 5 companies and Angelina College operated 1/4/99 – 6/30/99, \$413,000, for plant maintenance and machinists. Smart Jobs – * 15 small – medium businesses, effective 9/1/99 – 8/31/2001, \$250,000, a variety of training, including machinist, word | No | |

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| | | |
|--|---|---|
| processing, air conditioning and refrigeration. * A Nacogdoches company – was handled by an outside consultant, some training being done by Angelina College, no other information available. * Donahue Corporation, applied this quarter, several hundred thousand dollars, conversion of paper mill to new technology | | |
| Yes, don't remember who. Thinks Mobil, North Star Steel, and she has a new one on her desk. | Yes, she always has a role developing applications. Has discussions with applicants | Provide answers to questions on application |
| no - not currently operating | yes | Developed partnership with Laredo Community College – Skills Development Fund |
| * Island Marine Services, a boat sales and service company, received \$13,822 to train seven employees. * Executive Medical Clinic, a physicians/other health professionals management service, received \$10,536 to train 13 employees. * The J.K. Kalb Co. Inc., an industrial instruments distributor, received \$9,286 to train 3 employees. * Scott Public Relations, a public relations and management consulting service, received \$4,994 to train 2 employees. | No direct involvement to all of the above. | The Board through the OneStop operator acts as the referring agency. |
| Skills development for Child Care Training - may be some more at North Texas College. | Yes | Currently assisting ACT Commission in preparing a Smart Jobs application |
| Yes.....Get master list from Richard Hall | Limited | Coordination and Information |
| Yes | Yes | Screening, assessment and supportive services |
| Yes | not in development of the project | we review all projects before they are submitted to the state |

6. Does your Board operate any Welfare to Work projects that address Incumbent Worker Training?

| Response | Number | Percent |
|----------|--------|---------|
| Yes | 1 | 4% |
| No | 4 | 96% |

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Verbatim written response:

| Please describe: |
|---|
| No. Tried to but couldn't find enough recipients. Don't think you'll find employed welfare recipients. They are developing internet-based learning program for w2w. |
| No, we have barely gotten WtW working -- the eligibility is too tough, there have been too many things going on and there has been the uncertainty of the match. We are trying to jump-start something now. |
| Yes. Post employment services. Our WtW grant just began July 1, 1999 and not far enough into it yet to determine all services to be provided. |
| No- Plan to do it, but not up yet. |
| The Board is in the process of implementing training for child care, nurses aide and construction technology. The Board continues to develop training opportunities with employers and training providers. |
| Not presently, after receiving a competitive WtW grant will explore the possibilities. Can serve well in post-employment services etc. |

7. Are you aware of any other Incumbent Worker Training projects in operation or planned in your WDA?

| Response | Number | Percent |
|----------|--------|---------|
| Yes | 7 | 28% |
| No | 18 | 72% |

Verbatim written response:

| Please describe: |
|--|
| Yes WtW program will be an incumbent worker program |
| Vernon Community College has submitted two projects to TWC Skills Development Fund for approval. No details are available. |
| There is a regional training center at the COG. It is expanding to include non-governmental basic skills training. Certification and licensing in some occupations |
| The program I referred to in question #5, has been in existence for quite a few years with TSTC being instrumental in the development. They have 2-year curriculum that will render maintenance staff for Pilgrim's Pride and machinists and millwrights for Lone Star Steel and Texas Tubular. The jobs will pay \$7.00-8.50 per hour. Pilgrim's Pride is building a new site in Pittsburgh, which is in our LWDA and the plant will be staffed with graduates of the above- mentioned program. |
| We are considering applying for funds from DOL for a demonstration grant that would fund incumbent worker training. |
| El Paso Community College is the current recipient of ICT training funding. |
| Odessa and Midland College |
| Yes. We have 2 businesses that are training their workers and the cost is totally funded by the business; does not involve a large number of employees. Robert Lee Care Center has recently trained 4 Certified Nurses Aides to become Medication Aides and increased their salaries by \$.50 an hr. once they were certified. Hirschfeld Steel is training through classes at the local Commercial |

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| College for Drafting/AutoCad. |
| TDHS is initiating the Employment, Retention and Advancement Pilot program. Partners include TDHS, Coastal Bend Workforce Development Board, Goodwill, and Workforce Network, Inc. Coordination will include employers as retention techniques focus on incentives and additional training. |
| No. Will operate an Incumbent Worker Training Program after funds are released. |
| We plan some incumbent worker training with Katy Mills, probably beginning in November. |

8. What problems or barriers have you encountered when addressing the issue of Incumbent Worker Training?

| Summarized Barrier Issue | Number | Percent |
|----------------------------------|--------|---------|
| lack of funding | 5 | 35.7% |
| structure/bureaucracy | 8 | 19.0% |
| buy in | 5 | 11.9% |
| training content | 4 | 9.5% |
| business issues | 3 | 7.1% |
| marketing | 2 | 4.8% |
| too busy on something else (WIA) | 2 | 4.8% |
| coordination/partnerships | 1 | 2.4% |
| outcomes/measures | 1 | 2.4% |
| support services | 1 | 2.4% |

Verbatim written response:

| List and Prioritize |
|--|
| Employer reluctance to meet requirements ; funding source; not all area training institutions provide customized training; need for worker's compensation |
| Funding |
| Sources of funding and knowledge of other programs. |
| Main barrier is the lack of interest/awareness on the part of employers. Hasn't been identified until recently. We think we have a good vehicle strategically focused through 14 counties, to do special projects with employers in their areas. |
| Lack of funding. Lack of definition of what it is. Employers worried that trainees will leave after they've been trained. |
| time consuming for business, Mistrust of government by business |
| We really haven't addressed IWT -- we have been spending most of our time to implement WIA and Choices and TANF -- IWT reminds me of "retraining back in the CETA days -- it was a small program then. |
| 1. Lack of funds to serve this population or develop needed curriculum/training design 2. Time lag from application to receipt of funds – employer expect more immediate results 3. Requirements related to increased earnings of individuals trained 4. Limitations on funding levels for any specific project 5. Need to develop a consortium approach to be more cost-effective; however, requires more time in development and delays implementation |
| funding. Staff to address IWT issues |
| Funding Problem |

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10. Is the issue of incumbent worker training addressed in your Board's Strategic Plan?

| Response | Number | Percent |
|----------|--------|---------|
| Yes | 12 | 48% |
| No | 13 | 52% |

11. What factors led to its inclusion or absence?

Why in plan?

| Summary of Issues | Number | Percent |
|------------------------|--------|---------|
| Important to the board | 7 | 58% |
| Important to business | 4 | 34% |
| Other | 1 | 8% |
| Total | 12 | 100% |

Why NOT in plan?

| Summary of Issues | Number | Percent |
|-------------------------------------|--------|---------|
| no info, no program | 4 | 36% |
| too busy elsewhere/time constraints | 2 | 18% |
| not a high priority | 2 | 18% |
| No money | 2 | 18% |
| not allowed | 1 | 10% |
| total | 11 | 100% |

Verbatim written response:

| What factors led to its inclusion or absence? |
|--|
| Required element |
| No funds.....really |
| employers have recognized the need for incumbent worker training. |
| Didn't know about it |
| The Board says when we're through with welfare we will have created a huge population of underemployed its anticipated importance to businesses |
| We really haven't addressed IWT -- we have been spending most of our time to implement WIA and Choices and TANF -- IWT reminds me of "retraining back in the CETA days -- it was a small program then. |
| Recognition that we need to upgrade and maintain skills of current workers as well as preparing new entrants. Our region has an aging workforce with limited access to training opportunities. |
| Part of the One-Stop plan. IWT is an Employment Services activity |
| When we updated our plan, we didn't have enough information or time to research. When we begin updating our plans again, Incumbent Worker Training will be addressed. |
| Focused on low employment rate-driving to enhance the working poor |
| It is identified through the inclusion of a Board strategic goal (previously described) but not well developed The Board recognizes it as an important issue in our labor market. As incumbent entry-level workers develop their skill sets and are promoted, opportunities may then become available for individuals served through Board programs. A higher skilled workforce is integral to the economic health of the LWDA. |

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| No knowledge of Project |
| The desire to provide a full range of services to employers and the local workforce. |
| Didn't know enough about it |
| Lack of information |
| Need for employers training in emerging occupations. |
| Although it isn't mentioned specifically, Incumbent Worker Training is considered to be very important to the Coastal Bend Workforce Development Board. Many employees do not have the skills necessary to advance in their current occupation or the skills necessary to compete in the job market if they should find themselves in need of securing other employment. Many employers often need training in the retention of their employees. This training can be accomplished through the use of workshops and skills training programs tailored to the needs of the employer/employee(s). |
| Due to the severe time constraints in re-doing the plan to meet WIA implementation dates, most areas of the plan are being looked at again. |
| Not a high priority 2 years ago |
| Not included - But will be included when plan is updated in December .Lack of dollars to offer incumbent worker training |
| Not allowable except in certain scenarios under JTPA. WIA is brand new |
| Employers train their employees so we see providing training for employers as addressing a need. |

12. What kind of Incumbent Worker training projects do you see as a priority in your area? (e.g. projects involving high skill/high wage employees, working poor/welfare, employees with basic skills deficits, underemployed, employees working in industries at risk of layoffs/downsizing).

NOTE: Three of the 25 respondents answered with what appeared to be suggestions for content rather than target priorities. Those three responses were not counted in the totals below, which therefore represents 22 LWDAs. Note that the #1 priority, training for workers with basic skills deficits is very closely related to the #2 priority, training for working poor, welfare recipients, and unskilled workers and, in fact, would likely involve many of the same workers. Those two items together account for 62% of the total score (101 of 163). *(The score was derived by giving 4 points to each vote in column 1, 3 points per vote in column 2, etc.)* Only a few of the surveys contained examples of projects, which can be viewed in the detail section following this summary.

| Priority | 1 | 2 | 3 | 4 | score |
|--------------------------------|----|----|---|---|-------|
| basic skills deficit | 6 | 7 | 3 | 0 | 51 |
| working poor/welfare/unskilled | 9 | 7 | 1 | 0 | 50 |
| Underemployed | 3 | 3 | 2 | 2 | 30 |
| high skill/high wage | 2 | 1 | 2 | 0 | 15 |
| risk of layoff/downsizing | 1 | 2 | 1 | 1 | 13 |
| don't know/undecided | 1 | 0 | 0 | 0 | 4 |
| | 22 | 17 | 9 | 3 | |

| Give an example |
|-----------------------------------|
| Underemployed; at risk of lay-off |
| Skills deficiencies |

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| <p>Our needs would be prioritized as follows.</p> <ol style="list-style-type: none"> 1. employees with basic skills deficits 2. employees working in industries at risk of layoffs/downsizing. 3. working poor/welfare 4. underemployed 5. projects involving high skill/high wage |
| low income, basic skills deficit, not high/high because the Board won't see it as a priority. |
| underemployed. Find industries that can rapidly replace workers moving on with people with less skills (hospitality). Tap them. Use W2W to get people into jobs and then use ICW to move them up. |
| haven't decided |
| #1 would be upgrading the skills of the working poor and high skills/high wages could be seen as a continuum of the skills upgrade -- it would provide for vertical mobility within a company. Preventing lay-offs could be seen as a payroll subsidy program -- that might not be too good. |
| Working with underemployed; low skill level employees. |
| vocational/academic. |
| Working poor/welfare, employees with basic skills deficits |
| Basic reading and math skills; basic and proficient computer skills, improving worker skills to promote advancement with increased wages that will lead to family self-sufficiency. At this time, for this area, we are looking at the priority as working poor which would include those receiving welfare assistance. |
| Working poor; low reading skills; high skill/high wage |
| All of the projects described would be a priority in our labor market. Among local elected officials, community need and interest is currently focused on the working poor. |
| Employees with basic skills, literacy deficits as well as language barriers. Possibly so called soft skills. However, most of our request from employers related to soft skills seems to want us to be able change their value system as opposed to their behaviors and knowledge of employer expectations.....on the job. |
| Work ethics; accurate assessments |
| (1) employees working in industries at risk of layoffs/downsizing and (2) working poor/welfare and basic skills deficient. |
| All of the above. They have high/high and no people to fill them. Tend to want to see projects that boost promotability. Have to prioritize based on availability of funds and the project's impact on the community. |
| Customer service training; workforce communication in Spanish |
| <ol style="list-style-type: none"> A. Working with poor/welfare B. Employees with basic skills deficits C. High skill/high wage employees |
| The Board sees projects involving the working poor/welfare, employees with basic skills deficits, the underemployed and employees working in industries at risk of layoffs/downsizing as priorities. |
| Primarily working with high skill/high wage employees and basic skills deficiencies. |
| working poor, under employed, basic skills |
| Employees with basic skills deficits, underemployed, employees working in industries at risk of layoffs, downsizing). |
| Working poor/welfare, employees with basic skills deficits, underemployed |
| projects involving high skill/high wage employees, working poor/welfare, employees with basic skills deficits, underemployed, employees working in industries at risk of layoffs/downsizing |

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13. As part of TWC's initiative for Incumbent Worker Training, funds have been tentatively set aside for pilot projects in rural, urban, and border areas of the state. These funds will be awarded to Local Boards through a competitive proposal process. As an example, funds could be awarded for projects involving partnerships between the Board, an employer (or group of employers), and a training provider.

How should the funds be targeted?

13.1 Toward what kinds of businesses or industries?

| Summary of Identified Business Targets | Number | Percent |
|--|--------|---------|
| growing/demand | 8 | 33% |
| ask local community | 5 | 21% |
| highest skill/wage possible | 3 | 13% |
| partnerships/consortia | 3 | 13% |
| other | 2 | 8% |
| Board - for staff capacity building | 2 | 8% |
| small business | 1 | 4% |

Verbatim written response:

| Target what kinds of businesses or industries? |
|--|
| To community colleges partnering with employer consortia |
| Based on skilled jobs or dollar minimums in wages |
| FUNDS SHOULD BE TARGETED BY NEED - BOTH INDUSTRY AND SMALL BUSINESSES |
| The funds should not be targeted. Try not to be restrictive and see what comes. They will wait to see what employers in their area come up with. |
| Anything not declining or just holding its own. Has to be growing. Don't want to help one business over another. Organized labor could be very effective partner. |
| haven't decided |
| Ideally, these funds could be "seed money" for funding my board's employer service coordinator, helping to jump-start this activity -- it could be for planning and building board capacity. |
| To areas that can demonstrate a partnership and on-going support for the initiative. - Industries with occupations that have transferable skills to multiple industries within the region or businesses that provide high-skill occupations. |
| Growing and demand industries within WDA |
| Small Businesses |
| Industries that offer future growth, technological, health and industries with the greatest shortage of skilled workers. |
| working poor - Each area needs to take a look at their economic and demographic areas |
| Toward businesses and industries providing high-skill high-wage employment, to the greatest extent possible. |
| As in your example, I would stress partnerships of a wide range of players. I am not sure how to answer (a) below. Barriers seem to related to education levels and language barriers within our WDA. |
| Selected key industries throughout the state |
| Those offering high-skill, high-wage jobs with benefits to the maximum number of employees, and with most potential to remain a stable employer in light of the future trends in the labor market. |
| Based on local needs. We should ask for documentation of request. Need good numbers |

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| Demand occupations and top 10 industries in WDA - Service related |
| Businesses involved in demand and emerging occupations |
| Incumbent Worker Training services should be targeted toward those industries in each LWDA that offer promise of sustained growth. In the Coastal Bend region the Tele-services industry is one of the largest employers. Their employees often require computer skills and customer service training, and, because this industry has a high turnover rate, they should be offered training in employee retention. |
| Businesses that expected to benefit from the recent developments in the area, e.g. shipping, transportation, medical, retail/customer services yet are experiencing losses due to low performing employees. Businesses at risk of not expanding due to low performance. |
| manufacturing/call centers |
| To Boards for use in designing training programs for employers and training providers. Demand or emerging occupations |
| based on local need - To targeted industries, instead of selected employers. |

13.2 Toward what kinds of employees (e.g. occupations, classes, education levels)?

| Employees to Target | Number | Percent |
|-----------------------------------|--------|---------|
| ask local community | 5 | 16.1% |
| at risk of layoff/unskilled/entry | 4 | 12.9% |
| basic skills deficits | 4 | 12.9% |
| low education levels | 4 | 12.9% |
| underemployed | 3 | 9.7% |
| working poor, income-based | 3 | 9.7% |
| all/no limit | 3 | 9.7% |
| other | 3 | 9.7% |
| demand occupations | 2 | 6.5% |

Verbatim written response:

| |
|--|
| Target what kinds of employees (e.g. occupations, classes, education levels)? |
| Underemployed; at risk of lay-off |
| Entry to Blue collar |
| FOR THE EMPLOYEES IN THE DEMAND OCCUPATIONS IN OUR BOARD AREA AND EMPLOYEES WITH BASIC SKILLS DEFICITS. |
| Based on assessment of employee income. Up to 200% of lower income. |
| haven't decided |
| na |
| Should be open to all employees and employers. |
| All occupations |
| Individuals with low educational levels |
| Wouldn't limit |
| Working poor and those w/prior work history; system with as little paper as possible for the employer |
| Our elected officials and community leaders would probably want to see resources targeted to the working poor (e.g. anyone making less than a self-sufficiency wage based on family size). |

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| Those whose skills must be upgraded to remain employed |
| Unskilled (which might include basic skills deficient) and semi-skilled workers, and skilled workers with obsolete skills. |
| Based on local needs. |
| Lack of basic skills and communication; large Hispanic - customer base |
| Lack of GED or high school graduation Lack of basic skills and academic deficient |
| Services should be offered to employees with low education levels. It is often more difficult for these individuals to obtain employment should they have a need to secure other employment. Providing them with marketable skills will enable them to retain and/or find employment should the need arise. |
| Targeting should be aimed at the middle level employees and mid-level management. This allows mid-level people to access top level, and affords the entry level or lower level to access mid-level; in turn additional entry level positions are opened. |
| under-employed, low basic skills |
| Leave flexible.....depends on area |
| based on local need - Growth occupations paying a living wage |

14. What would be the most productive use of such money in your LWDA?

| Most Productive Use | Number | Percent |
|---------------------------------------|--------|---------|
| Basic skills/skill upgrades | 5 | 17.2% |
| Board capacity-Buss Service reps, etc | 4 | 13.8% |
| Basic Education/ESL | 4 | 13.8% |
| Demand occupations | 4 | 13.8% |
| Training provider/Comm coll | 3 | 10.3% |
| Undecided, determine locally | 3 | 10.3% |
| Partnerships-buss consortia, trainers | 3 | 10.3% |
| Other | 2 | 6.9% |
| Unskilled/at risk of layoff | 1 | 3.4% |

Verbatim written response:

| Most Productive Use of Funds |
|---|
| Curriculum development for community colleges; capital equipment purchases for technology training by community colleges. |
| To open jobs after workers are trained |
| FOR A CUSTOMER SERVICES REPRESENTATIVE WHO COULD COORDINATE PROJECTS BETWEEN EMPLOYERS AND TRAINING PROVIDERS. |
| Don't know |
| Nothing in pocket of employer. It should produce significant skills on-site, in workplace (ESL) |
| Building board capacity, at \$50-60,000 a position for 28 boards and then you could have some left over for model programs. Working with the community colleges to put projects together with encouragement from the Board. |
| We would propose to use an application process that would identify costs, benefits, outcomes, etc.. We would also most likely give priority based on occupations in demand, targeting of welfare/low-income workers, consortium approaches and/or high-skill/high-wage occupations. |

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| A collaborative approach - employers, school districts and education agencies |
| Skills upgrade |
| Training to enhance basic skills of reading and math, computer literacy, computer proficiency and training that will enhance job skills with a focus on moving the employee and family toward increased earnings leading to a family self-sufficiency wage. |
| Developing partnerships to targeted businesses - pay vs. training -- depends on ea. employer |
| Skills upgrading opportunities for incumbent workers at less than self-sufficiency wages based on family size. Self-sufficiency should be locally defined and not based on outdated concepts such as LLSIL |
| We have all the players to provide the classes for ESL and Basic Skills. We have had them to the table, but no money to pay and they cannot afford to donate staff time to provide within businesses.. |
| Those whose skills must be upgraded to remain employed |
| Training in manufacturing and service industries. |
| Based on present needs. Leverage jobs in most demand with those with the biggest skills gaps. Specifically in this area - petrochemical and construction |
| Total hands on training. |
| Refer to i. and ii |
| Marketing efforts aimed at employers. |
| Ensuring that a solid training plan is in place, with outcomes measured by skills certification, and increase wages. |
| training with community colleges |
| <u>Training Dollars</u> Also need to \$\$ for staff working in business services with employers |
| We are building an employer survey/LMI record for making that determination. |

15. Does your staff or the workforce center staff currently have the skills needed to successfully broker such a training partnership?

| Response | Number | Percent |
|----------|--------|---------|
| Yes | 16 | 66% |
| No | 9 | 33% |

Verbatim written response:

| Staff has necessary skills/expertise? |
|--|
| No Role is performed by 2 or 3 community colleges |
| SOME TRAINING WOULD BE NEEDED. |
| No, not enough money to pay for the expertise; the Board would staff up to do it. We would have an employer services rep at the Board level. The colleges have people that do this kind of work. |
| Qualified staff can be hired when funding is available |
| Yes.....Probably need some training |
| yes partnering and partnership agreements are in place. |
| Skills, yes, but believe we would require technical assistance for knowledge. |
| Yes; however we would need to know complete details |

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16. What would be a good final goal for such a project

16.1 For the employer (39 total responses)

| Summary Goals for Businesses | Number | Percent |
|---|--------|---------|
| increased productivity, profits, efficiency | 12 | 30.8% |
| better (trained) employees | 11 | 28.2% |
| increased employee retention | 5 | 12.8% |
| other | 5 | 12.8% |
| no layoffs/downsizing | 3 | 7.7% |
| higher wages | 2 | 5.1% |
| industry-recognized certifications | 1 | 2.6% |

Verbatim written response:

| Goals for Businesses |
|--|
| Increased productivity and profits |
| Better trained employees |
| INCREASED EMPLOYEE RETENTION, EARNINGS AND PRODUCTIVITY |
| Better trained workforce, greater productivity |
| insure sufficient workforce. Keep them from laying off. Productivity gains crosses lines. Don't do anything that puts \$ in one company and not another |
| better employees |
| They could come to the Board for help putting together these projects and select a training provider to develop the training |
| Increase productivity of workforce resulting in more profit, ability to remain in business and/or expand |
| better trained and qualified employees |
| To increase the company overall production |
| Increase in skilled labor force, efficiency and productivity. |
| increased loyalty of workforce (outcome); workers become efficient, productive, high skills to grow within company |
| employee retention and increase in wages paid |
| Stay in business, better utilize existing workforce, increase earnings and safety |
| Quality workforce; competitive |
| i. For the employer – Higher productivity and profit; increased market share; improved community relations |
| able to show increase in wages, new occupation. Hire lower skilled workers to replace those moving up. |
| increased labor force |
| Trained employees – increase productivity |
| To gain and retain employees with the ability to perform their jobs. |
| Industry recognized skill attainments with certifications which would increase productivity while reducing costs, and increasing employment opportunities. |
| better trained workers who are more efficient on the job |
| Employees with upgraded skills |

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| Trained productive employees |
| That the employer contracts with and pays for training provided through the local Board because it satisfies the need. |

16.2 For the worker (55 total responses)

| Summary Goals for Workers | Number | Percent |
|------------------------------------|--------|---------|
| higher wages/self-sufficient wages | 20 | 36.4% |
| improved skills | 15 | 27.3% |
| career advancement/promotion | 9 | 16.4% |
| increased job security/retention | 7 | 12.7% |
| other (6) | 3 | 5.5% |
| credential earned (5) | 1 | 1.8% |

Verbatim written response:

| Goals for Workers |
|---|
| Improved skills /higher earnings |
| Better wages |
| INCREASED EARNINGS, JOB SECURITY AND JOB SAFETY |
| increased earning power, access to career ladder, increased skill level |
| incremental increase in earnings. Credential earned. Tangible economic outcomes. Cross industry skills. Skill ladders. |
| financial independence, better wages, re-employment in a new field |
| better opportunities to access training |
| Improved wages and benefits as well as marketable skills transferable to other occupations or businesses. |
| better pay and skills upgrade - transferability |
| To increase their basic deficiency by 20% on the job |
| Upgrading of basic and job skills needed to remain competitive in a global economy; increase in earnings potential |
| increased job skills, increased standard of living, increased self-esteem. |
| retention and increase in wages paid, skill sets and competencies gained |
| stay employed, more productive, more ownership in company activities, more community involvement |
| Better skills and higher wages |
| ii. For the worker – Increased skills with commensurate wage and benefit increase, thereby increasing future job opportunities with same and other employers. |
| increased wages, promotions |
| increased job skills in order that they will be able to climb the career ladder within their company; advancement/promotions |
| Upgraded skills, wages, and retainability |
| To obtain and retain employment that provides them with self-sufficiency and job security. |
| An increase in skills (transferable) and wages, as well as job security or opportunity for |

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| additional/better employment. |
| better skills that will give them better employment opportunities |
| Upgraded skills and higher wages |
| Gainful, sustainable employment with full benefits |
| The worker sees improvement in earnings |

16.3 For the Local Board (44 total responses)

| Summary Goals for Workforce Board | Number | Percent |
|--------------------------------------|--------|---------|
| strengthen employer services/network | 10 | 22.7% |
| skilled workforce | 8 | 18.2% |
| business success/gains | 5 | 11.4% |
| other | 5 | 11.4% |
| increased job openings (new & exist) | 4 | 9.1% |
| benefit to local economy (local ROI) | 4 | 9.1% |
| worker success/gains | 4 | 9.1% |
| less dependence on public assistance | 3 | 6.8% |
| fewer layoffs/relocations | 1 | 2.3% |

Verbatim written reponse:

| Goals for Local Boards |
|--|
| Increased productivity and profits for employers; improved skills, higher earnings for employees; creation of new jobs |
| More open jobs if they move up |
| MEETING BOARD GOALS OF PROVIDING THE BEST WORKFORCE DEVELOPMENT SERVICES FOR THE EMPLOYERS AND CITIZENS OF OUR BOARD AREA |
| Strengthen employer network |
| increased benefits. Cost/benefit analysis. Spending =real benefit (local economy-based) |
| better employees, financial independence, better wages, re-employment in a new field |
| we could build our employer services for our area |
| More competitive workforce resulting in stronger local economy and less dependence on public assistance. |
| reduce the possibility of lay-offs and relocation of industries due to low skill levels of the workforce within the WDA |
| To develop a local system where incumbent workers can access basic skill training |
| Ability to promote a skilled labor force, provide opportunities and services to employers, promote self-sufficiency wages, reduce welfare dependence. |
| ensure the presented of skilled workforce for that employer; promote partners with business |
| number of employers taking advantage of project, number of workers trained, number/% completing training, retention and increase in wages paid, skill sets and competencies gained |
| We should be brokers for these types of initiatives.. |
| |
| iii. For the Workforce Board – Meet employer needs; increased employer services; to deliver services to non-targeted populations; to assure that services remain relevant to the current labor |

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| market; to assist employers with expansion and planning efforts; to identify new and emerging occupations as well as demand and targeted occupations for the area. |
| see that people you've invested in have benefitted |
| Provide quality workforce programs and to see increase in economy. |
| Trained workforce and greater employer involvement in career center services and the workforce development system. |
| Positively impact employers in the region, and develop new working relationships with these employers. |
| Meeting the employer's needs and augmenting the skills of the area's workforce skills, thus attracting more employers |
| better trained workforce - hopefully when those workers move up the employment ladder make room for welfare-to-work participants |
| Broader workforce training application |
| Positive outcomes-enhanced workforce-improved employer relationship |
| The Board becomes a primary HR supplier for local business. |

17 Do you have any suggestions for other project structures besides the example given in the introductory paragraph above?

Verbatim written response:

| Suggestions regarding project structure |
|---|
| To community colleges partnering with employer consortia |
| Divide \$ by formula |
| Multiple employer industry - more personal worker needs. Individuals seeking their own training. On-line schooling |
| I would like to eliminate the requirement that a training provider be involved as this may not be necessary in all situations. |
| Would allow for flexibility and accessibility to all employers willing to meet criteria and flexibility and accessibility of training providers, programs, etc. |
| Test alternative strategies of training provision (e.g. work-based learning, web-based training, etc.) |
| Let employers do training themselves |
| To see a program developed in providing opportunities for advancement to employees-this would be more difficult to provide. |
| Increasing the skills of incumbent workers to remain competitive in the job market. |
| The project structure seems complete; however, please give the LWDB the flexibility to develop unique and effective projects that fit the needs of their areas. |
| Not at this time |
| Leave open/flexible |

18 Do you have any other comments or suggestions regarding the funding process described above?

Verbatim written response:

APPENDIX D: Local Workforce Development Board Survey

| Suggestions for funding process |
|--|
| Administrative funds to cover any associated Board costs |
| EARLY NOTIFICATION OF PROGRAM INFORMATION, DETAILS, MEETINGS, ETC. TO ALLOW MAXIMUM PLANNING TIME. |
| No money to employers directly |
| businesses in rural areas have less access to skilled employees, so the need is greater here |
| It would be nice if all Boards received funds or had the ability to identify funds that could be used for incumbent worker training so all areas would have the opportunity to pilot at least one project in their region. |
| Should address the return on investment to the employer, employee and reflect positively on the State of Texas (I.e.; increased skilled labor force). |
| Sounds like a good plan; make the proposal process and content as simple as possible. |
| Use work keys as standard |
| Funding in incumbent worker in most industries is greatly needed. |
| Funds should be set aside specifically for areas that have yet to join the rest of the state in reporting unemployment rates below 4%. Special attention should be given the border area as I-69 makes the area more commercially appealing. Meeting the needs of present employers ensures commitments from local entities. |
| make sure there is money for ALL boards, regardless of size |
| Have all Boards eligible for the same amount.....could have multiple project amounts. |

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19 Do you plan to apply for funding when the proposal process is announced? If not, why?

| Response | Number | Percent |
|-------------|--------|---------|
| Yes | 19 | 76% |
| Undecided | 5 | 20% |
| No response | 1 | 4% |

Verbatim written response

| Plan to apply for funding? |
|--|
| Yes....If community colleges are interested in pursuing this |
| THE BOARD AND BOARD STAFF WILL INVESTIGATE THOROUGHLY BEFORE APPLYING FOR FUNDING. |
| Might very well, we would need enough lead time to write a good proposal |
| Yes, depending on adequate funds being made available by TWC. |
| We have no specific plans now, but we will review it carefully to make a decision. |
| Yes, at a minimum of \$600,000. |
| Unknown at this time |
| have no information about what the funds are for or how they can be used. |

20 Do you have any other comments or recommendations regarding Incumbent Worker Training?

Verbatim written response:

| Other Comments |
|--|
| NO, BUT WE BELIEVE THERE IS A NEED FOR INCUMBENT WORKING TRAINING IN OUR BOARD AREA. |
| Problem in their area - high tech employers laying off people who don't know the latest thing. Dumping higher salary staff, those that have been around the longest. |
| Don't want to supplant employers' natural training efforts. |
| Make sure there are limited rules/policies/requirements from the state level and allow maximum flexibility at the local level so each area can address their real needs. |
| Funding for IWT is critical in our area. |
| For employer participation, it must be a flexible program that is easy to understand and access; gives local areas and employers the flexibility to determine their needs. Employers here say they will provide OJT if basic skills are provided in conjunction with an experienced entity-soft skills, basic math and reading at a skill level determined by the employer, computer literacy and proficiency and training for advancement. The bottom line is: How much is it going to cost me? |
| TWC should provide more technical assistance on the subject to Boards. Technical assistance must be provided by staff with excellent knowledge of the subject matter. |
| The sooner we get the (RFA) out the better. It is a new way to connect the business community with the workforce system. Business community needs to know that we can do things like this without a lot of red tape. Here's a chance. |
| More information |

APPENDIX D: Local Workforce Development Board Survey

| |
|---|
| A great incentive for employer by increasing productivity and company profits. Address employee job stagnation-skills, knowledge, and productivity. |
|---|

| |
|--|
| Media announcements must make it appealing to the employer. It must not be announced as another government program. The language used must be private sector language. |
|--|

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|-------------|
| Flexibility |
|-------------|

APPENDIX E

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