

Workforce Development in Oregon

**House Committee on Higher Education,
Innovation and Workforce Development**

February 16, 2015

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Workforce System Operating Principles

- Move more decision making to the local level
- Develop strategies led by employers
- Optimize all resources available

Oregon Workforce Investment Board (OWIB)

- Oversight of the workforce system
- Hold system partners accountable for results
- Recommend policy to Governor
- Feedback to agencies and Local Workforce Investment Boards

The Nation's Changing Workforce: The New Normal

- Baby boomers retiring
- Increased demand for skills
- First jobs coming later resulting in soft skills deficits
- Decreased tenure in a job
- 30%+ of jobs are temporary, contract or freelance
- Less placed-based

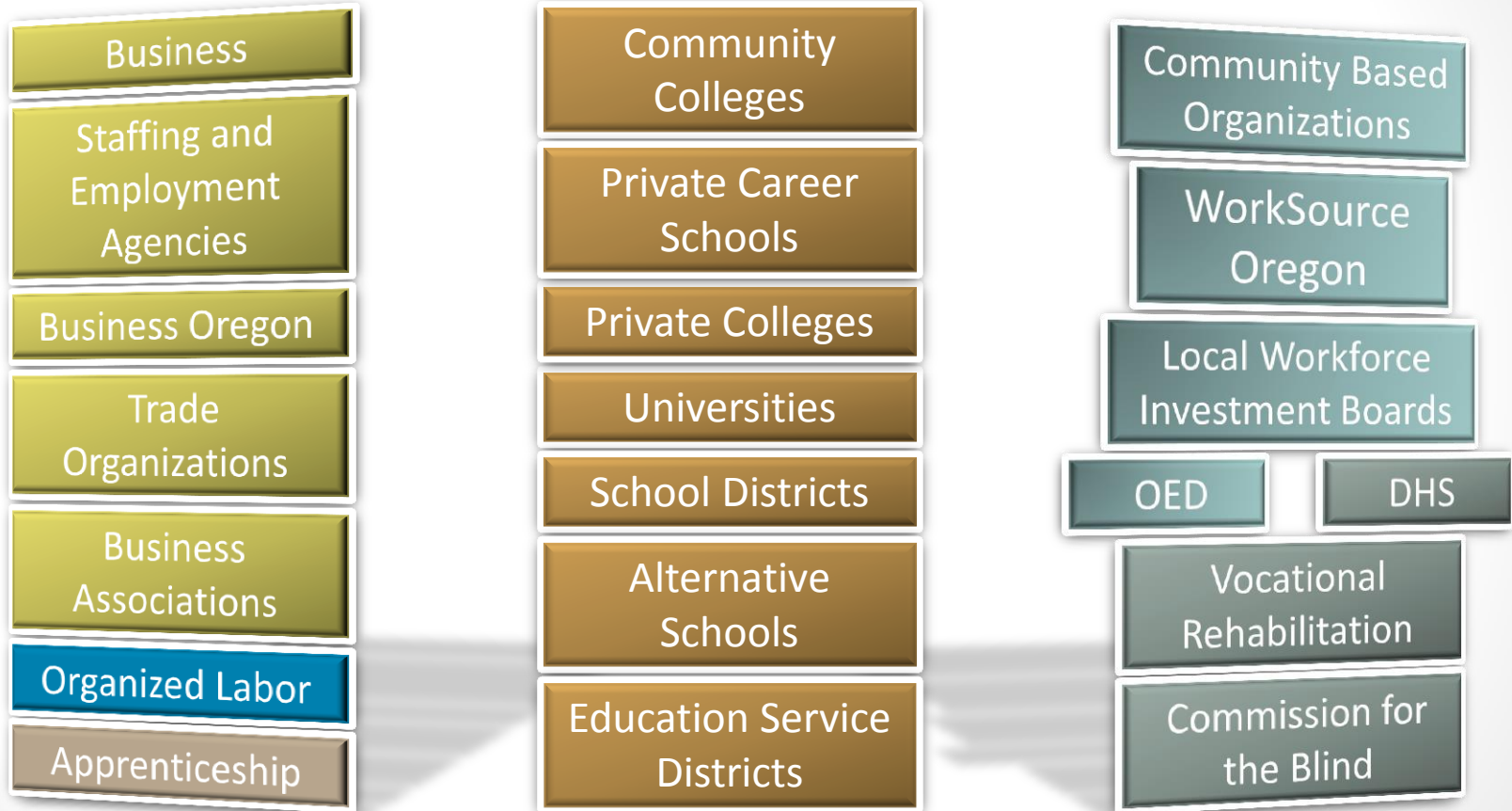
Critical Issue: Skills

- Finding workers with the right skills is the number one issue for companies engaged in economic development processes statewide

Workforce System Goals

- Oregonians have the skills for high wage/high demand jobs
- Businesses have skilled workers to innovate and grow
- Workforce system is aligned, integrated, efficient and effective to support businesses and job seekers

Oregon's Public Workforce Infrastructure



Spectrum of Individuals Served by Workforce Development

Very Low Skilled/Multiple Barriers

Entry Level/Youth

Underemployed

Middle 40/Technical Skills

Professional/Upper 40

Super Skilled

Very Low Skilled/Multiple Barriers

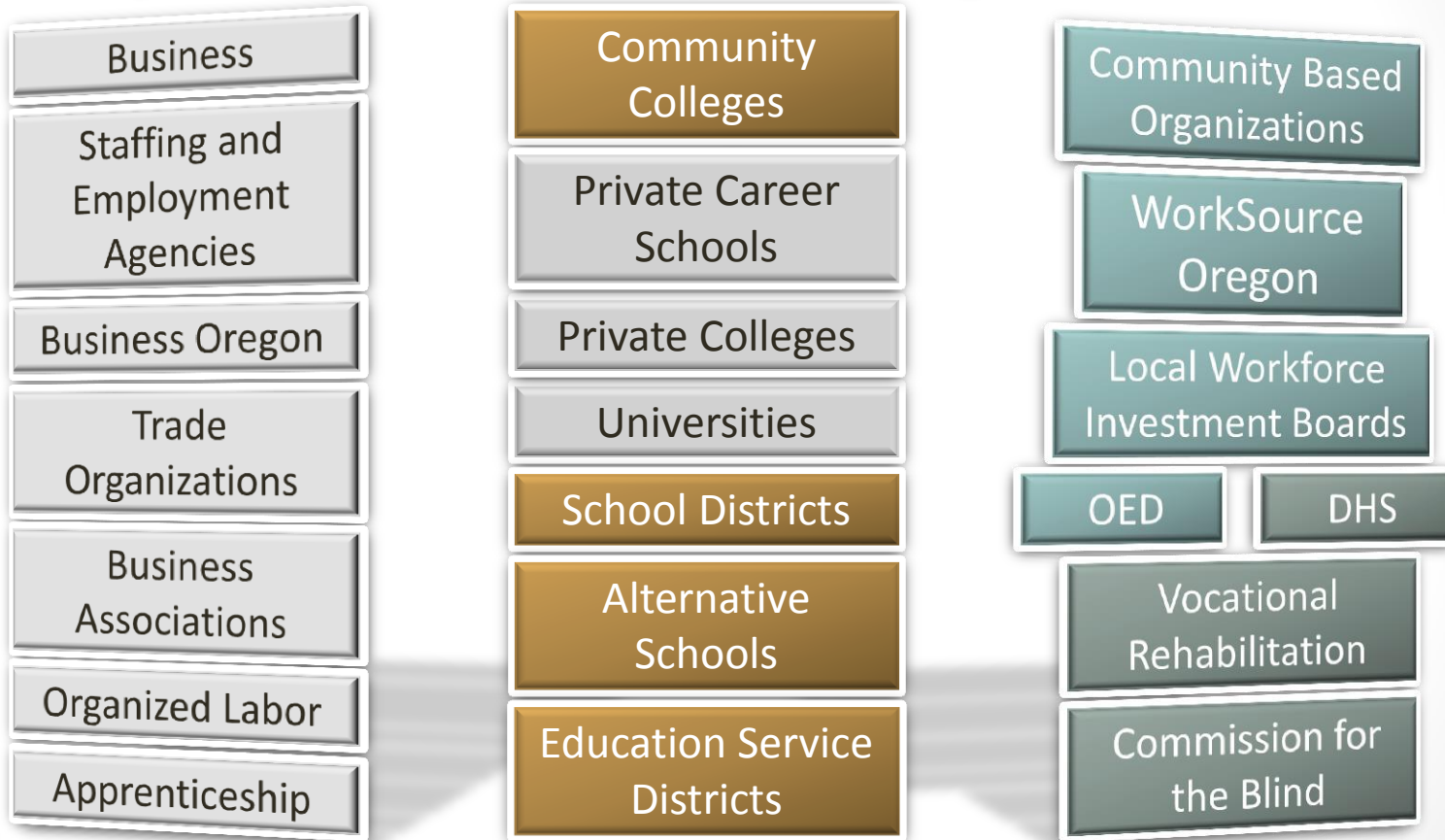
Examples

- People living in poverty
- High school dropout
- Teen parent

Strategies

- ELL or basic skills classes
- Job readiness activities
- Coaching
- Connections to community resources

Very Low Skilled/Multiple Barriers



Entry Level/Youth

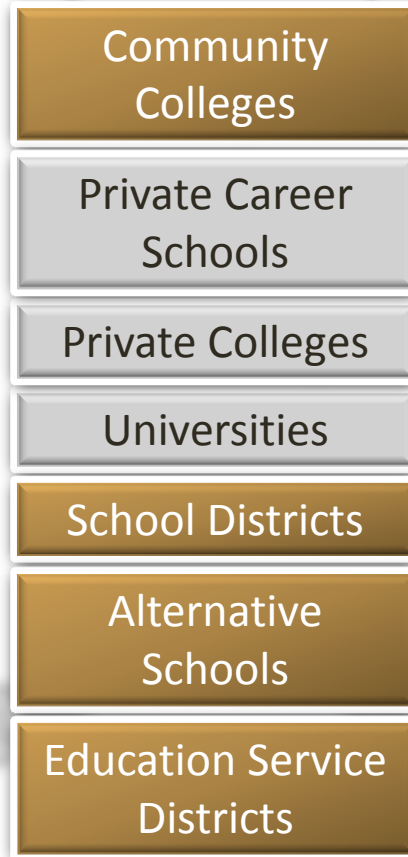
Examples

- No work experience
- High school students
- Disconnected youth
- New entrants to the workforce (i.e. immigrants)
- Youth with disabilities

Strategies

- GED/HS diploma
- Basic skills training and certification
- Career and Technical Education (CTE)
- Job placement
- Work experience including on-the-job training and summer work programs

Entry Level/Youth



Underemployed

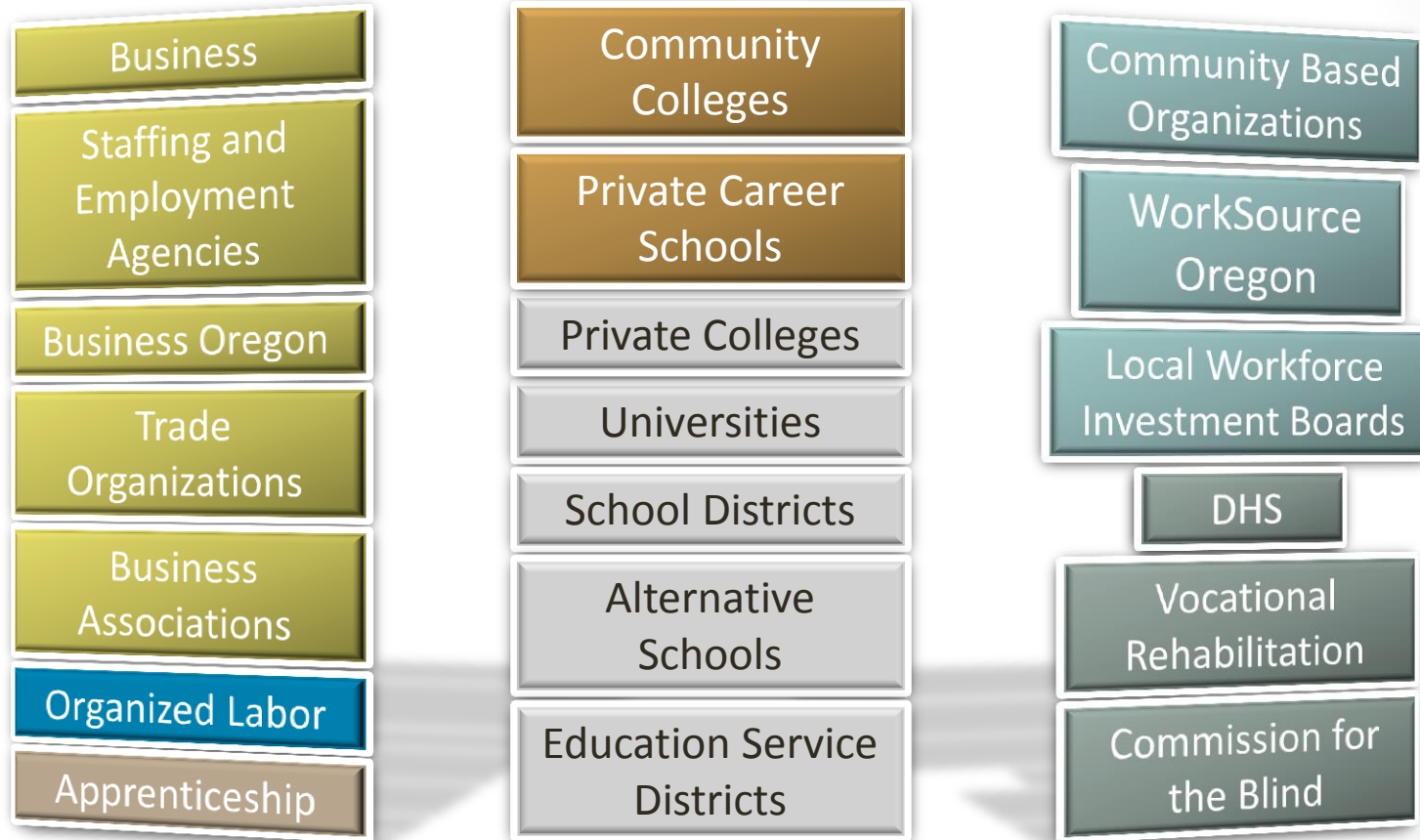
Examples

- Long term unemployed/working survival jobs
- College graduate working in service jobs

Strategies

- On-the-job training
- Job placement
- Career and Technical Education (CTE)
- Partnerships with staffing industry
- Credentialing, retraining, licensing
- Incumbent worker training

Underemployed



Middle 40/Technical Skills

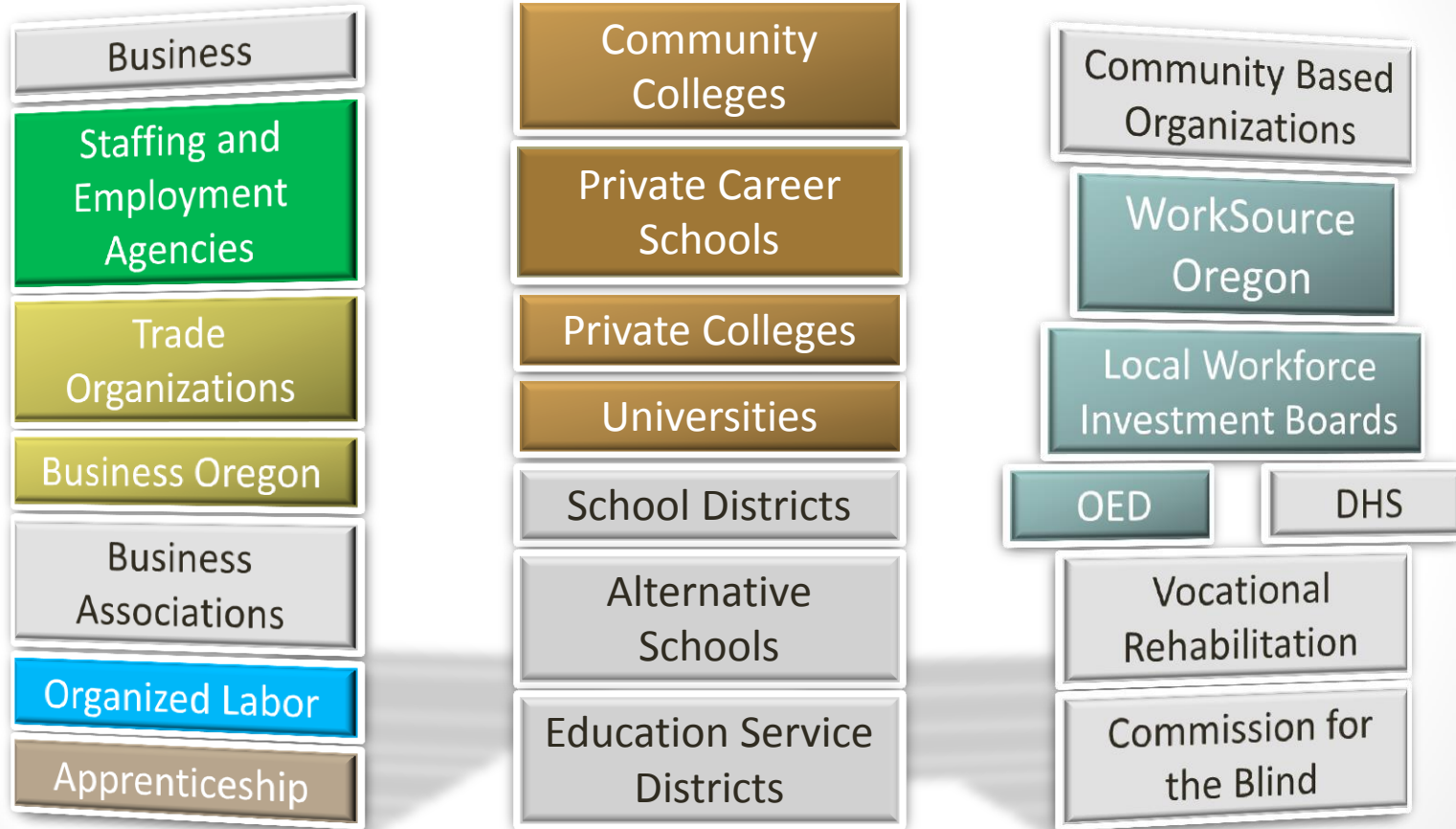
Examples

- Journeyman trades people
- Healthcare technician
- Engineering technician
- Front line supervisor

Strategies

- Credentialing and licensing
- Career and Technical Education (CTE)
- Job placement
- Continuing education

Middle 40/Technical Skills



Professional/Upper 40

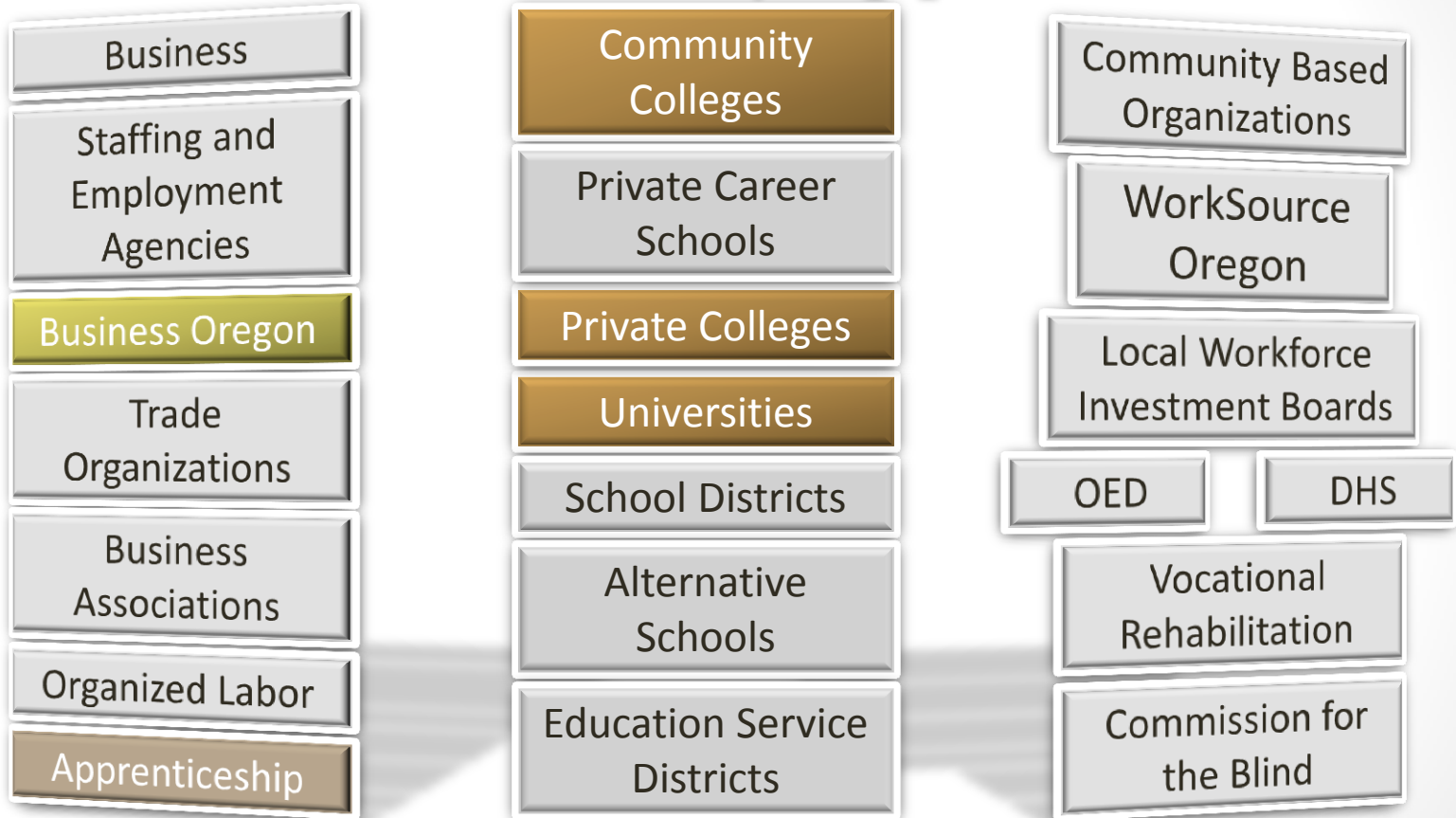
Examples

- Teacher
- Accountant
- Construction manager
- IT professional
- Operating room nurse

Strategies

- College
- Distance learning

Professional/Upper 40



Super Skilled

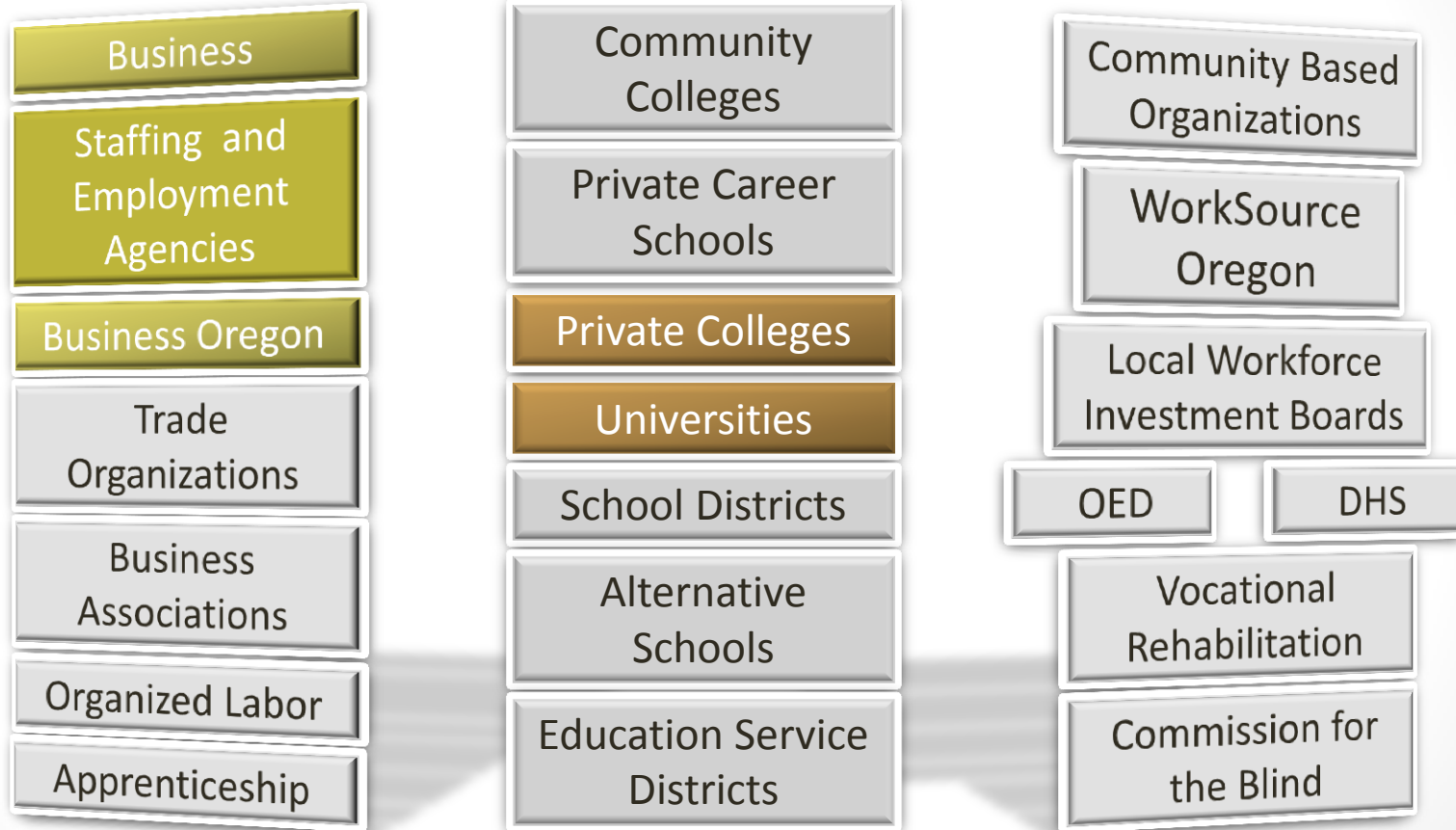
Examples

- Surgeon
- Astrophysicist
- Researcher
- Innovation professionals

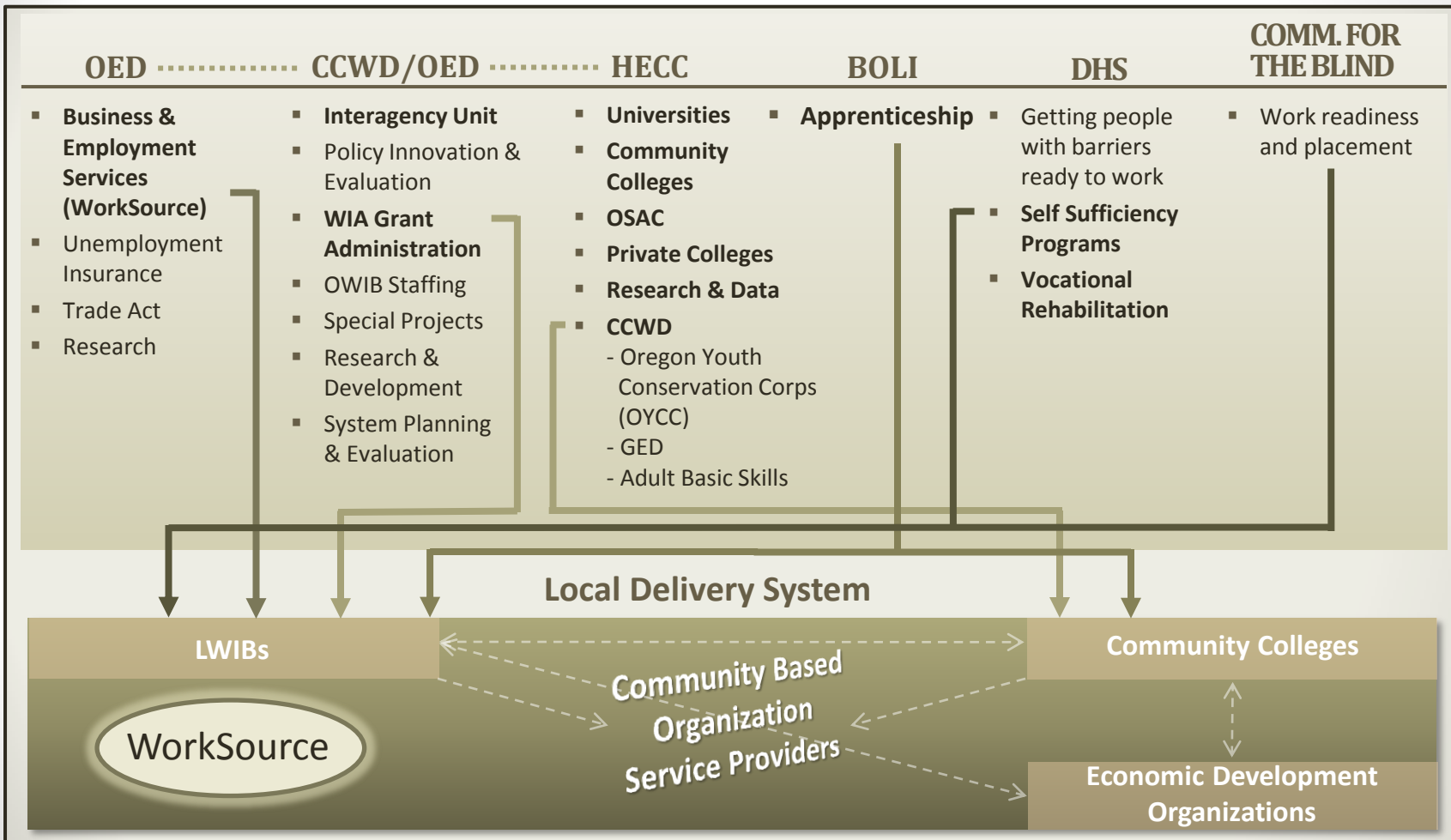
Strategies

- Help businesses locate key workers
- Entrepreneurship
- Business attraction

Super Skilled



State Roles In Workforce Development



Forums and Focus Groups

- Twelve Forums and Focus Groups with employers, partners and service providers held state wide in Spring 2014, with over 700 participants
- Surveyed Job Seekers who used WorkSource in Fall 2014, with almost 900 responses

Employer Insights

➤ Applicants lack

- Basic skills
- Technical and vocational skills
- Early work experience
- Work readiness skills

Employer Insights

- Rural areas face additional challenges
 - Workers holding multiple jobs
 - Longer commute times
 - Local availability of professional and super skilled workers is limited

Challenges & Opportunities

- Young people lack work experience and work readiness; unrealistic expectations, underdeveloped work ethics
 - More internships and greater innovation in engaging youth in work.
- Disconnect between regional industries and workforce; little awareness of local opportunities
 - Sector strategies that offer a direct means to connect regional industries to workforce resources.
- Technical talent missing in all regions; professionals hard to recruit/retain in rural regions. (more than entry-level talent)
 - Career Technical Education (CTE) expansion that benefits all skill levels.

Workforce Priorities

- Improve WorkSource services: value and outcome-based programs
- Increase sector-based training investments
- Retool unemployment insurance (UI) process
- Plan for recessions
- Provide greater capacity to add more training to the system

Critical Issue: Investment

- The budget highlights a one-time opportunity to address some of these training challenges, especially focusing on individuals and regions left behind by the economic recovery

Investments in Training

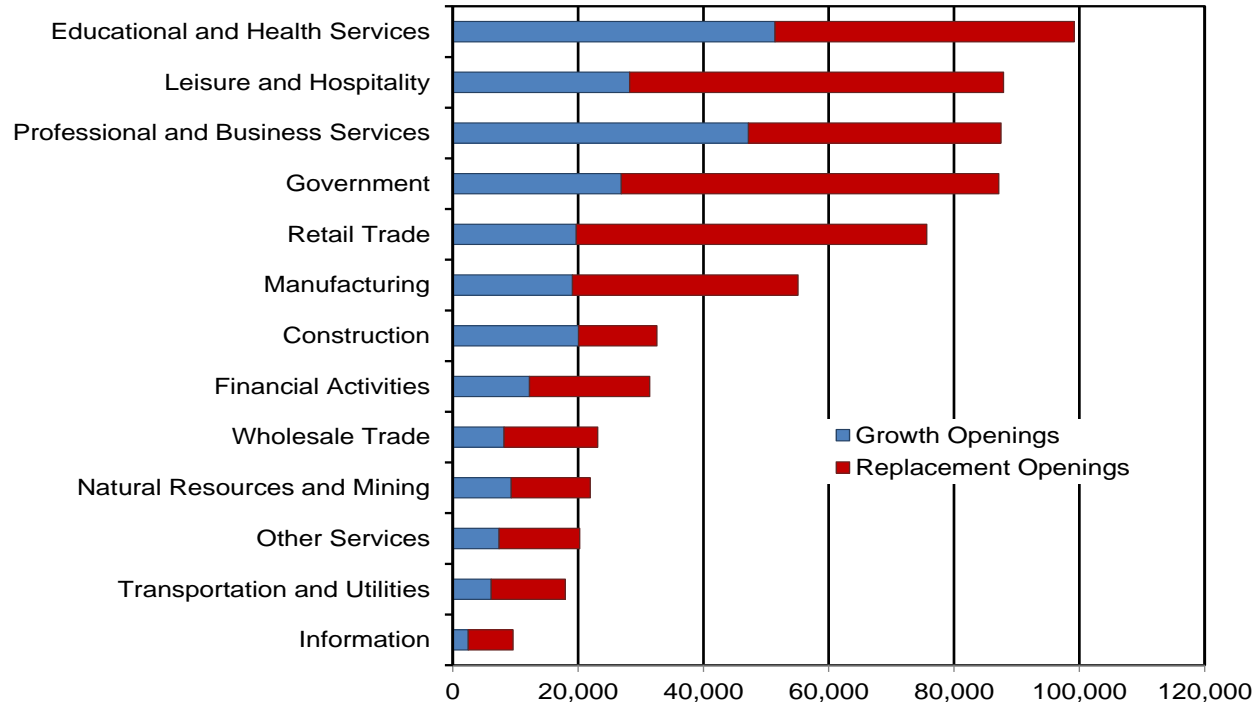
- Continued investment in Local Workforce Investment Boards
- Investment in Youth
- Investment in Incumbent Workers

Industry Sector Strategies

- Foundation for how we engage with students, job seekers and businesses
- Locally and employer driven
- Highly responsive to industry demand
 - Solution oriented not program oriented
 - Interdependent versus independent approach
 - Industries collectively versus individually

Our Longer-Term View: Showing Both Growth & Replacement (e.g., Retirement) Openings.

Growth and Replacement Openings by Industry, 2012-2022



➤ Educational and Health Services is expected to have the most total openings (99,000).

➤ Three out of five industry openings are expected to come from replacement.

Career and Technical Education (CTE)

- Middle 40 jobs which require more than a high school diploma but less than a four year degree currently make up the largest segment of jobs in our economy
- CTE programs
 - Align coursework from high school through community college
 - Result in Degrees and Certificates
 - Prepare students for direct entry into employment
- Example occupations
 - Graphic Design
 - Diesel Technology
 - Viticulture
 - Wind Technology
 - Flight Technology
 - Network Technology
 - Nursing
 - Culinary Arts
 - Phlebotomy Training
 - Maritime Science
 - Aquarium Science
 - Fire Science

Education & Skill Development Continuum

General
Educational
Development (GED)

Apprenticeship

Career &
Technical
Education (CTE)

Accelerated
Learning
Opportunities

On-the-Job
Training
(OJT)

Increase the Skills, Knowledge and
Career Opportunities of Oregonians

National
Career Readiness
Certificate (NCRC)

Oregon
Pathways for
Adult Basic Skills

Workforce
Training

Lower Division
Transfer

**Educated
Citizens**

Good Jobs

**Livable
Communities**

Critical Issue: Alignment

- Moving Oregonians from poverty to prosperity means getting more people ready for work, which requires stronger alignment of all workforce resources

Targeted Populations

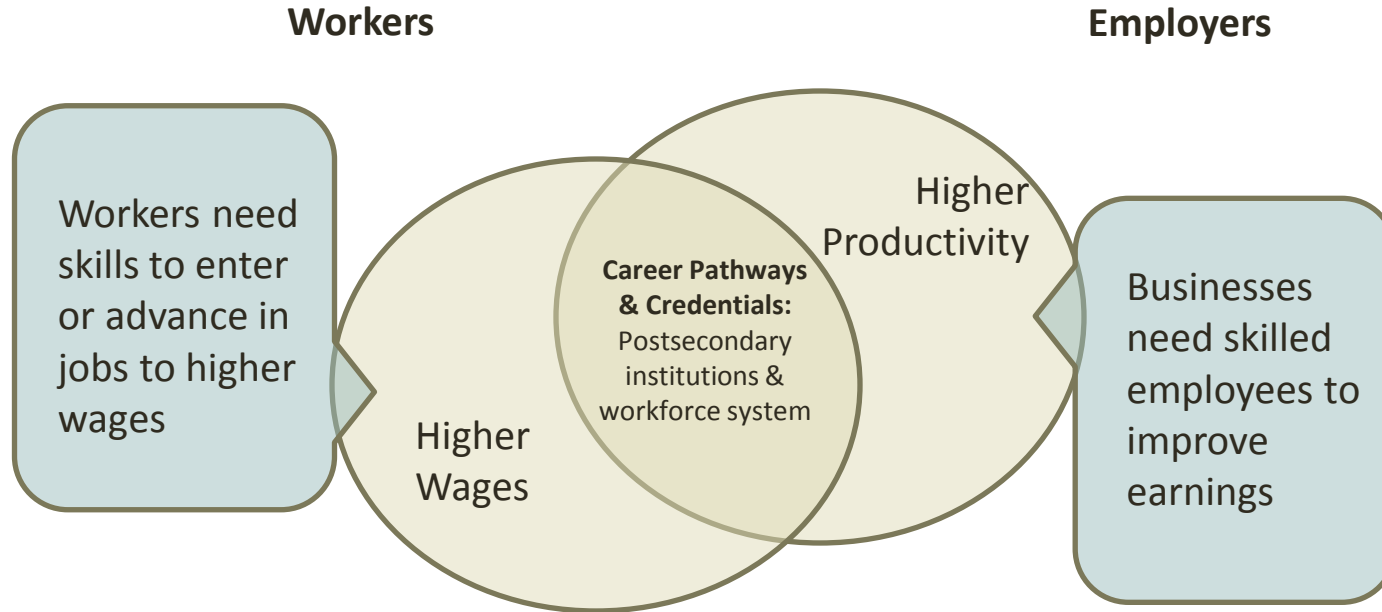
- All Oregonians need to possess the skills and abilities to thrive in the workplace
- Training and services adaptable and inclusive
- Sector based approach assists both individuals and businesses
- Local Workforce Boards will select targeted populations and develop avenues to connect them into sector strategies

Video Goes Here

Local Workforce Investment Boards (LWIBs)

- Private sector leadership
- Convene local partners to develop targeted strategies
- Invest resources to align with local needs
- Pilot new approaches and evaluate

Career Pathways & Credentials: A Path to Higher Skills & Higher Wages for Achieving Oregon's "Middle 40" Goal



344,255

Number of Oregonians who
attended community college during
the 2012-13 school year

Oregon Community College Stackable Certificates Include:

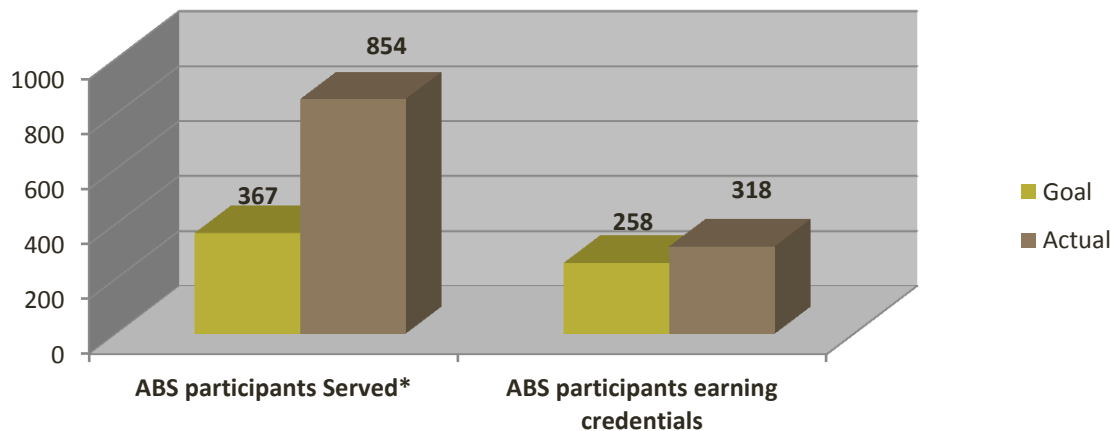
AWARD	Number of Certificates And Credentials	Earned by Number of Participants
CPCCs and LTOYs	1500	1196
Industry Recognized Credentials	2997	1053
October 1, 2011-September 30, 2014		

- Career Pathways Certificates (CPCC; 12-41 credits)
- Less Than One Years Certificates (LTOY; 12-41 credits)
- Industry Recognized Credentials

Partnerships

Adult Basic Skills (ABS) Participants- CASE

318 participants earned 457 Certificates, Credentials and Degrees



*ABS: Participants enrolled in ABE, Bridge, ENL, ESL, GED, I-BEST, OPABS and VESL support

Partnering To Serve Current Industry Manufacturing Professionals



Harding/Bridgeport 5x Milling Machine

Together CCC and Gosiger unveil this new phase of their education and business partnership on March 5th at the dynamic milling workshop



Critical Issue: Scaling Training

- Scaling up industry-focused training efforts to meet these needs is a major challenge of the broader workforce system

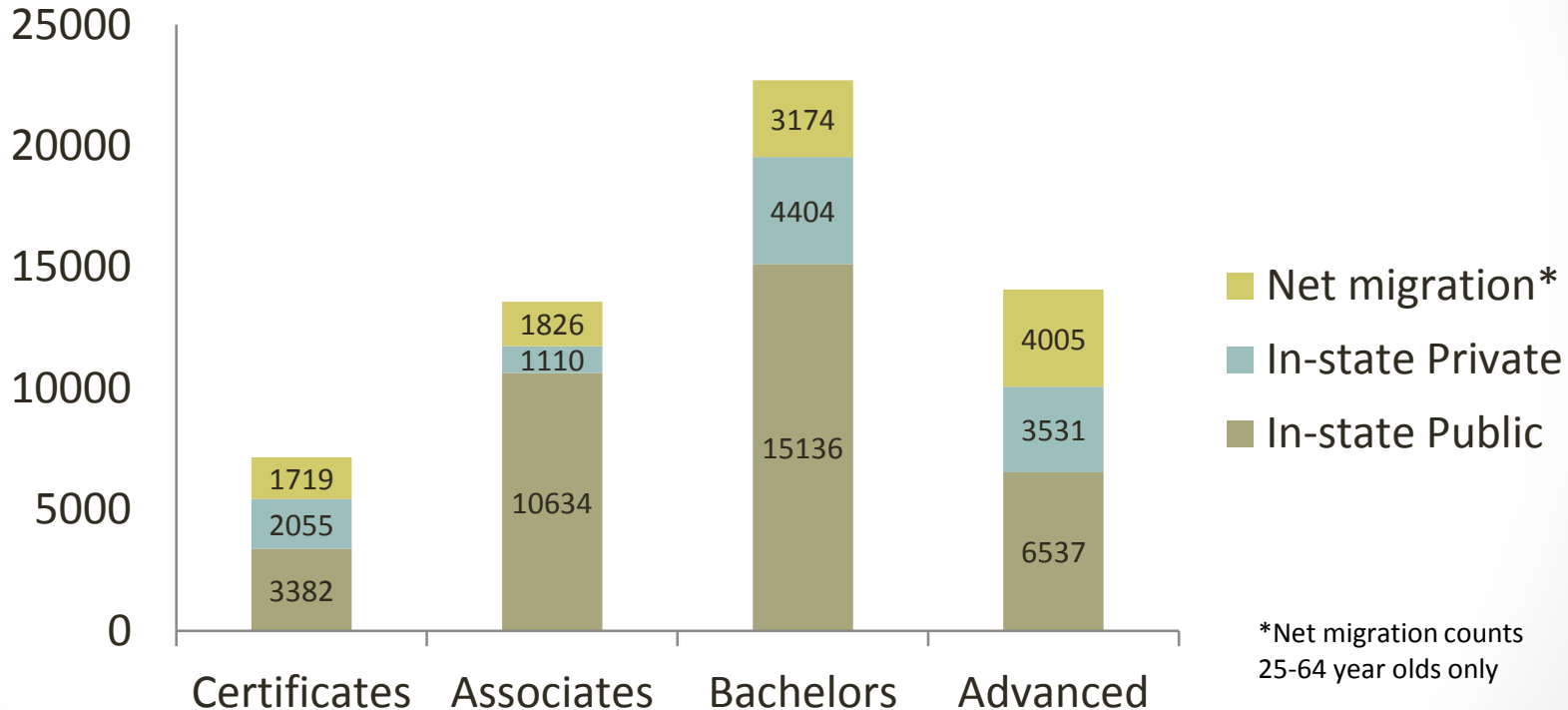
HECC-OWIB Taskforce

- Shared Space of the Middle 40
- Endorse a broad understanding of what 'counts'
 - Two year associates' degrees
 - One-year certificates
 - Registered Apprenticeships
 - Career Pathway Certificates
 - Industry Recognized Credentials
 - State licensures

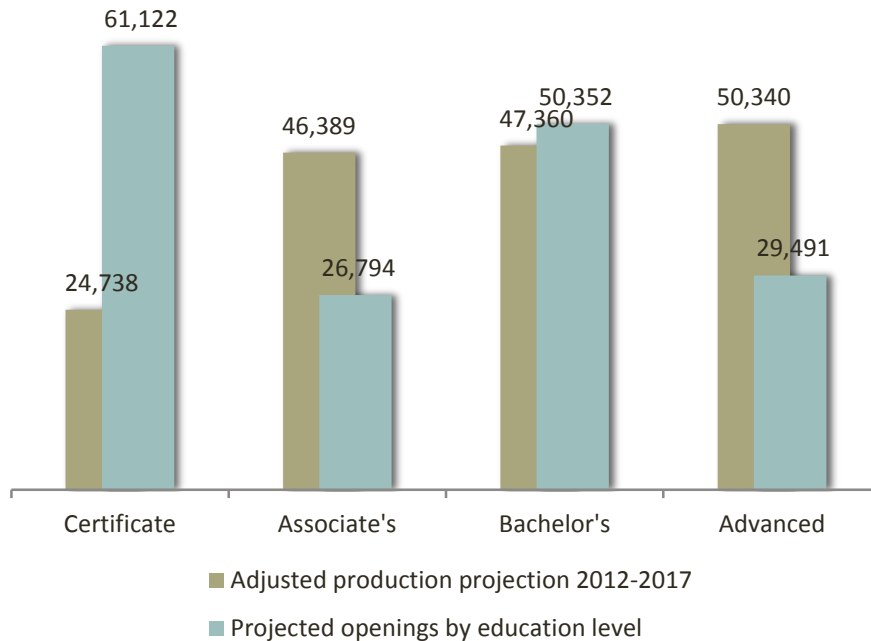
Role of Higher Education

- Colleges are a major part of the workforce system
- Skills are the currency in the new economy
- Certify non-credit training

Oregon Degree Production and Net Migration (2012)



Matching education to workforce



- Adjusted five-year production as a share of projected need:
 - Certificates: 40%
 - Associates: 173%
 - Bachelor's: 94%
 - Advanced: 171%
- The production projections do not account for migration of completers in or out of Oregon, or labor force participation rates of completers.

High-priority and high-wage/high-demand occupations by projected openings

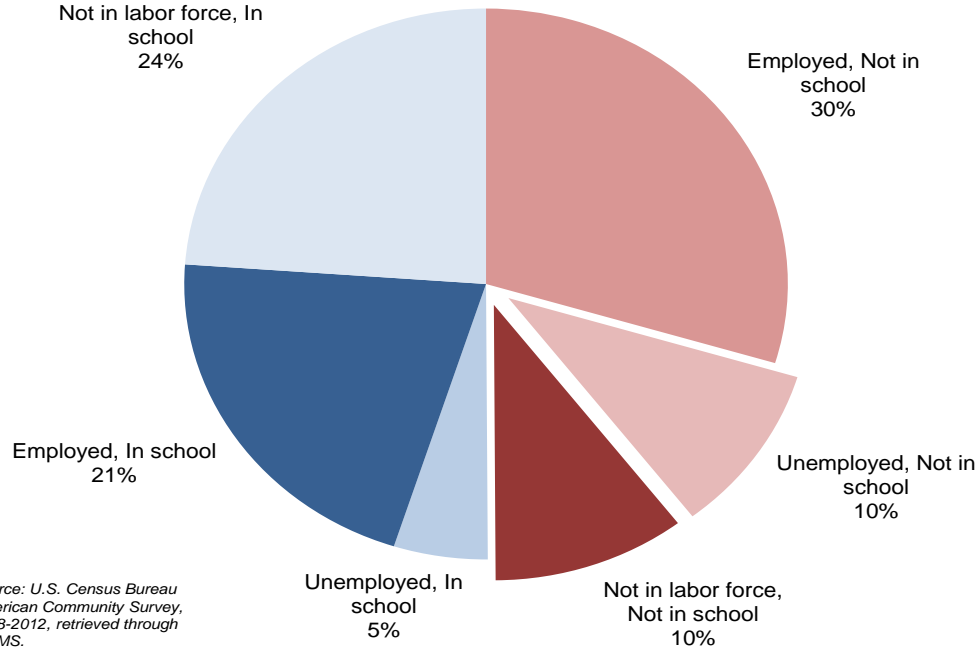
OED Priority Rank	Occupation	Total openings 2012-2017	Competitive education level
16	General and Operations Managers	3,470	Bachelor's
11	Accountants and Auditors	2,662	Bachelor's
5	Carpenters	2,303	Post-secondary training
16	Physicians and Surgeons	1,794	Advanced
4	Industrial Machinery Mechanics	1,118	Post-secondary training
16	Computer Systems Analysts	973	Bachelor's
16	Cost Estimators	879	Bachelor's
16	Welders, Cutters, Solderers, and Brazers	802	Post-secondary training
16	Computer Occupations, All Other	800	Bachelor's
10	Machinists	751	Post-secondary training
5	Sales Managers	715	Bachelor's
16	Pharmacists	704	Advanced
3	Medical and Health Services Managers	661	Advanced
5	Industrial Engineers	656	Advanced
16	Operating Engineers and Other Construction Equipment Operators	642	Post-secondary training
5	Computer Hardware Engineers	621	Advanced
5	Marketing Managers	604	Bachelor's
11	Construction Managers	600	Bachelor's
1	Physical Therapists	591	Advanced
16	Firefighters	585	Associate's
16	Librarians	317	Advanced
2	Medical and Clinical Laboratory Technologists	297	Bachelor's
11	Veterinarians	272	Advanced
11	Urban and Regional Planners	268	Advanced
11	Medical and Clinical Laboratory Technicians	265	Associate's

Workforce System Goals

- Oregonians have the skills for high wage/high demand jobs
- Businesses have skilled workers to innovate and grow
- Workforce system is aligned, integrated, efficient and effective to support businesses and job seekers

Twenty percent of Oregon's young men are not attending school and not working

**School Attendance and Labor Force Status of Oregon's Young Men
Ages 19 to 21**



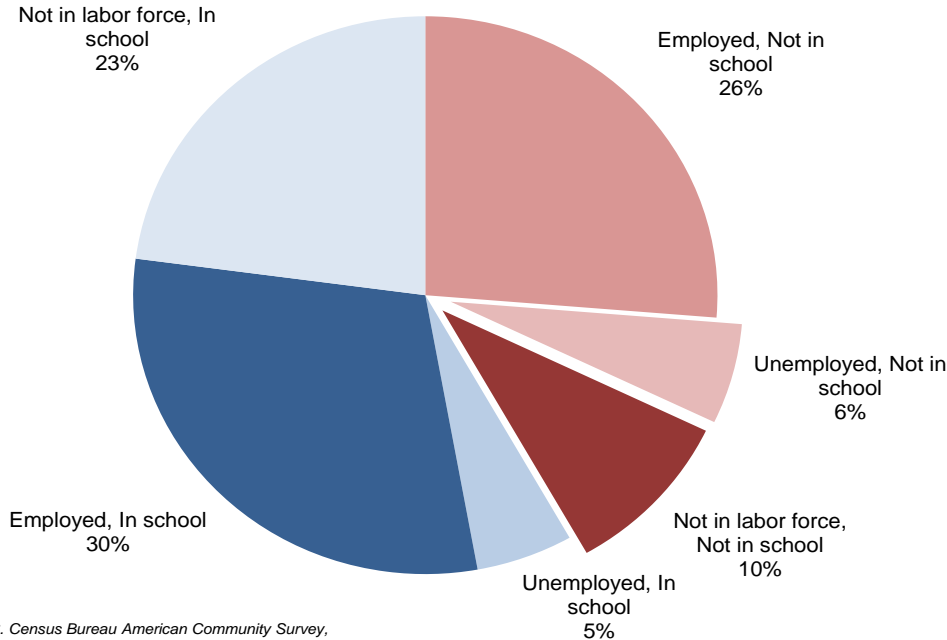
Source: U.S. Census Bureau
American Community Survey,
2008-2012, retrieved through
IPUMS.

- There are **80,500** young men in Oregon ages 19 to 21.
- The unemployment rate for this group is **23%**.

Half of young men ages 19 to 21 are attending school

Sixteen percent of Oregon's young women are not attending school and not working.

School Attendance and Labor Force Status of Oregon's Young Women Ages 19 to 21



Source: U.S. Census Bureau American Community Survey, 2008-2012, retrieved through IPUMS.

- There are **76,600** young women in Oregon ages 19 to 21.
- The unemployment rate for this group is **18%**.

More than half of young women ages 19 to 21 are attending school

The Most Common Occupations Among The 23,900 Employed Men Not Attending School Are...

Top 20 Occupations for Employed Oregon Men Ages 19 to 21, Not Attending School

Cooks	1,897
Miscellaneous agricultural workers including animal breeders	1,439
Laborers and Freight, Stock, and Material Movers, Hand	1,303
Cashiers	1,041
Stock Clerks and Order Fillers	825
Grounds Maintenance Workers	807
Retail Salespersons	721
Customer Service Representatives	671
Food Preparation Workers	602
Dishwashers	576
Janitors and Building Cleaners	560
First-Line Supervisors of Retail Sales Workers	499
Construction Laborers	489
Shipping, Receiving, and Traffic Clerks	378
Driver/Sales Workers and Truck Drivers	372
Automotive and Watercraft Service Attendants	363
Other production workers including semiconductor processors and cooling and freezing equipment operators	344
Welding, Soldering, and Brazing Workers	328
Waiters and Waitresses	328
Automotive Service Technicians and Mechanics	297

Some better
paying jobs,
often in
trades.



The Most Common Occupations Among The 20,100 Employed Women Not Attending School Are...

Top 20 Occupations for Employed Oregon Women Ages 19 to 21, Not Attending School

Best paying
jobs are retail
supervisors.
No trades
occupations in
top list for
young women.



Cashiers	2,740
Waiters and Waitresses	1,670
Retail Salespersons	1,222
Food Preparation Workers	1,017
Customer Service Representatives	756
Personal Care Aides	748
Nursing, Psychiatric, and Home Health Aides	738
Cooks	725
Childcare Workers	682
Maids and Housekeeping Cleaners	507
Receptionists and Information Clerks	391
Tellers	388
First-Line Supervisors of Retail Sales Workers	375
Secretaries and Administrative Assistants	352
Host and Hostesses, Restaurant, Lounge, and Coffee Shop	312
Janitors and Building Cleaners	288
Automotive and Watercraft Service Attendants	285
Nonfarm Animal Caretakers	252
Hotel, Motel, and Resort Desk Clerks	246
Counter Attendant, Cafeteria, Food Concession, and Coffee Shop	232

Young Men Hired In Manufacturing And Construction Immediately Earn More Than Those Hired In Other Industries

**Number and Average Monthly Wage of Newly Hired Young Men in Oregon
Ages 19 to 21 Years, Average of 3rd and 4th Quarters 2013**

Industry	New Hires	Percent of New Hires	Average Monthly Wage
Total - All Industries	15,264	100%	\$1,414
Retail Trade	2,877	19%	\$1,178
Administrative and Support and Waste Management and Remediation Services*	2,527	17%	\$1,538
Accommodation and Food Services	2,519	17%	\$994
Agriculture, Forestry, Fishing and Hunting	1,456	10%	\$1,876
Manufacturing	1,224	8%	\$2,177
Construction	1,122	7%	\$2,091
Other Services (except Public Administration)	488	3%	\$1,155
Health Care and Social Assistance	475	3%	\$1,271
Transportation and Warehousing	473	3%	\$1,339
Arts, Entertainment, and Recreation	407	3%	\$1,405
Wholesale Trade	378	2%	\$1,847
Educational Services	328	2%	\$815
Professional, Scientific, and Technical Services	265	2%	\$1,838
Management of Companies and Enterprises	166	1%	\$1,533
Real Estate and Rental and Leasing	163	1%	\$1,372
Information	152	1%	\$1,166
Public Administration	131	1%	\$1,244
Finance and Insurance	89	1%	\$1,813
Mining and Utilities	8	0%	N/A

* 70% of new hires in this industry were in employment services and could be working for a variety of businesses.

N/A Wage is not available.

New hires are employees who did not work for that employer in the previous four quarters. They may have been working for a different employer prior to being hired by their current employer.

Average monthly wages are calculated only for new hires who worked at least one full quarter for their new employer.

Source: U.S. Census Bureau, Quarterly Workforce Indicators

Young Women Are More Likely Than Men To Take Jobs In Lower Paying Industries Such As Retail Trade. Those In Health Care Earn Slightly More Than Men

**Number and Average Monthly Wage of Newly Hired Young Women in Oregon
Ages 19 to 21 Years, Average of 3rd and 4th Quarters 2013**

Industry	New Hires	Percent of New Hires	Average Monthly Wage
Total - All Industries	14,160	100%	\$1,113
Retail Trade	3,625	26%	\$947
Accommodation and Food Services	3,444	24%	\$975
Health Care and Social Assistance	1,734	12%	\$1,311
Administrative and Support and Waste Management and Remediation Services*	1,218	9%	\$1,420
Other Services (except Public Administration)	652	5%	1,031
Agriculture, Forestry, Fishing and Hunting	601	4%	\$1,304
Educational Services	510	4%	\$756
Manufacturing	479	3%	\$1,760
Arts, Entertainment, and Recreation	353	2%	\$844
Professional, Scientific, and Technical Services	299	2%	\$1,505
Finance and Insurance	199	1%	\$1,571
Management of Companies and Enterprises	186	1%	\$1,374
Construction	166	1%	\$1,845
Wholesale Trade	161	1%	\$1,349
Transportation and Warehousing	146	1%	\$1,196
Information	141	1%	\$1,151
Real Estate and Rental and Leasing	138	1%	\$1,274
Public Administration	98	1%	\$1,267
Utilities	5	0%	N/A

* 60% of new hires in this industry were in employment services and could be working for a variety of businesses.

N/A Wage is not available.

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