The State of Workforce Development in Wisconsin

Prepared for Wisconsin Counties Association
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EXECUTIVE SUMMARY

This report identifies several of the newest aspects of the ongoing evolution of developing a viable Workforce. Viability means the ability to shift with the needs of employers on a local, regional or state basis as dictated by demographic and economic shifts. Wisconsin’s system is a complex myriad of services that works with Federal guidelines to try and meet those needs. However, basing programs on just the National economy can lead to bureaucratic stifling and inappropriate metrics. Economic differences can vary greatly based on several factors and local services need to have the flexibility to adapt.

To provide America’s employers with the skilled workers needed to succeed in a global economy, the combination of wide variety of stakeholders. Employers, educators, local, regional and state economic development and elected officials must be able to collaborate and perform in an effective and transparent manner. Contributions from all sectors are needed to mesh regardless of previous demarcations or differences.

Workforce development must be more than just placing people in jobs. Moving people from entry level to the next level must be a priority to maximize people and resources. Quick, efficient training programs that update skills required by employers must be a goal of workforce development agencies and their partners. If a worker needs additional assistance, such as transportation, housing, childcare, rehab, etc., the “system” must be able to provide it, and least temporarily, to ease the workforce shortage.

Ongoing technological advances will also ease some of the workforce shortage. Workforce “upskilling” needs to be constant in order to ease the impact on individuals, as well as to keep an area economically viable. Fortunately, Wisconsin has a selection of technical colleges that have embraced their role in addressing the skills gap. When technical colleges are paired with the Workforce Development Centers, Schools in the Prison and County jail systems, this collaboration can keep the state’s workforce up-to-date to tackle ongoing workforce challenges.

This report provides a broad look at Workforce Development in Wisconsin. It also offers a wide range of resources and defines how several dedicated entities are working to affect one of the biggest issues facing our state and our country.

Paul Decker
Waukesha County Board Chairman
What Is Workforce Development?

Workforce development is an American economic development approach that attempts to enhance a region’s economic stability and prosperity by focusing on people rather than businesses. It embraces both supply and demand. ([https://en.wikipedia.org/wiki/Workforce_development](https://en.wikipedia.org/wiki/Workforce_development))

There are three major facets of workforce development

- Get workers access to jobs
- Get workers trained
- Develop skills that lead to promotions

Workforce development has evolved in recent years from primarily addressing issues like the availability and sustainability of low-skilled workers (skills gap) or the need for more employees in a specific industry (high demand sector needs) to a more holistic approach, considering the barriers to employment that people face and the economic needs and assets of a region.

The responsibility for workforce development in the United States has been the on the shoulders of the government since the beginning of public schools, which replaced earlier systems like apprenticeships and home schooling. Public schools were founded to prepare students to earn a living wage by providing them with non-technical employability skills such as reading and arithmetic. Employers would still provide vocational training on the job (OJT).

Workforce development is often-times categorized into two approaches:

1. **Sector-based** approaches consider the sectors or industries within a region that need specific workplace skills. These strategies focus on the demand side (the employers) of workforce development and consider the industries in which it is most likely that employees will be hired, i.e. replacement workers for retiring employees or new workers for job creation (expansion and innovation).

2. **Placement-based** approaches consider the supply side of the workplace (the workers). Placement-based strategies often help participants gain initial access to the labor market while addressing other essential concerns to the region, such as housing development, public transportation, childcare or English speaking skills. In general, placement-based approaches are designed to train unemployed workers with entry-level skills or “up skilling” incumbent workers who may be under-employed to advance in a skill-driven labor market.
National Workforce Picture

Businesses are organized around the concept of supply and demand. Supply and demand is the relationship between the quantity of a commodity that producers wish to sell at various prices, and the quantity that consumers wish to buy. But the days of having an adequate or manageable supply of both, as it relates to workforce, has dramatically changed. There is plenty of demand for workers, even as we continue to automate, but less and less skilled workers to do the jobs to enable some employers to remain viable. This is true for all market sectors, including the public sector.

According to the 2017 Federal Reserve System’s “Investing in America’s Workforce” report, the U.S. Department of Labor reported 6 million job openings in April 2017 — the highest recorded level — with the number of Americans participating in labor force trending near a four-decade low. By 2020, the nation is projected to be short 7.5 million workers (quantity gap) while many industries are concerned about the increasing demand for new skill sets (skills gap).

In addition to the low national unemployment rate, which has greatly impacted the need for workers, there are demographic trends taking place that also impact the labor supply chain. The result of the ups and downs in birthrates over the years has created a gap in the ages of workers (commonly referred to as the “Body Gap”). We are seeing similar trends in Wisconsin.

The population is also aging, which will impact supply and demand. In Wisconsin, the percentage of the population 65 years and older was 13.7 percent in 2010. That percentage increases to 23.7 percent in 2040, almost doubling in number. Meanwhile, the percentage of the working age population (18-64) goes from 62.8 percent in 2010 to 55.1 percent in 2040. (www.dhs.wisconsin.gov/aging/demographics.htm)

Then there is immigration. Trends suggest that unless immigration laws are changed drastically, immigrants will form an increasing share of the workforce over the next 30 years. These workers are well represented in occupations predicted to grow most over the next decades, suggesting they will remain in demand. As a result, immigrants are expected to form about one-third of the low-skilled labor force over coming decades, and up to 18 percent of college-educated workers. Immigrants are also expected to assist in addressing the needs of an aging population by providing services to the elderly, altering worker-to-retiree ratios, and providing tax revenues that support programs for the elderly.
The world has changed so much, it is almost too little to late. Employers need to shift their thinking about what the “worker” of tomorrow looks like and needs, now. This is as true of unskilled workers as it is for college graduates. This shift in thinking needs to happen all over our state and our country.

In addition to the challenge of finding workers, pockets of the country are experiencing a “brain drain”, but a far bigger issue is the “reverse brain drain”. Although for centuries, many of the world’s most talented scientists and mathematicians regarded the United States as the “promised land” that tide has turned. America’s foreign-born superstars—many of our best and brightest in science and technology—are deciding that there’s no place like home. They are heading back to their home countries at the alarming rate of up to 1,000 per day. (American Management Association)

In the last two years, more than 5,000 seasoned, tech-savvy professionals have repatriated to India from the U.S. Ireland is on a mission to bring its brainpower back home with a massive development plan costing some $2 billion. According to one of its initiatives, Enterprise Ireland, more than 75% of its targets—some of America’s most distinguished life scientists and researchers - report that they want to return home within five years. (American Management Association - dealing-with-americas-alarming-reverse-brain-drain.aspx)

In addition to the lack of workers (body gap), the number of unskilled or underutilized workers, baby boomers leaving the workforce and immigration/migration, we need to consider that the workforce of the future is very different than the one today. Not only do we need to find and train new types of workers, we need to address the needs of the workforce of tomorrow.

Businesses will have much to consider:

- Over 40 percent of Americans will be leaving the workforce in the next decade for new opportunities.
- More than 9.4 million firms are women-owned
- The old minority is the new majority; 92 percent of U.S. population growth is attributed to ethnic groups
- Temporary worker demand is rising with predictions that 40 percent of the workforce will be contingent workers by 2020.

Workforce development is growing more complex than ever. At the end of the day, it must be more than just placing people in jobs. Moving people from one level to next must be a priority to maximize people and resources.

1. Quick, efficient training programs that update skills required by employers must be a goal of workforce development agencies and their partners.
2. Apprenticeships in the trades are not being filled. These are good wage jobs with much future potential.
3. Technological literacy is critical to closing the income gap.
4. Re-entry programs must continue to be better utilized.
5. Transit/transportation and housing are also key ingredients to establishing a strong, viable workforce which strengthens and secures communities.
The current business environment is moving faster than it ever has before. This is as true for the U.S. as it is worldwide. Organizations are finding that they are faced with more change than most can handle. As companies work to find their way and build their workforce, they must understand how the world of work is changing. It is not just a supply and demand issue any longer. How workers are engaged, how they are trained for the job and how they grow with an organization will be critical pieces of the new way of doing business.

Employers will need to understand that it will be the human operating system that will ultimately power their organizations. They will have to retool how employees grow in an organization. The workforce of the future will be human-led and technology-enabled. (Society for Human Resource Management, www. Shrm.org)
Workforce Innovation and Opportunity Act (WIOA)

As far back as the early 2000’s, there has been concern about the wave of too much demand and not enough supply. On July 22, 2014, the workforce Innovation and Opportunity Act (WIOA) was signed into law. It replaced the former (WIA), which served as the federal law/workforce program since the 1990’s federal program.

WIOA is designed to improve and strengthen our nation’s workforce by providing education, training, and support services to potential employees as well as helping employers get matched with skilled workers. WIOA is what directs the activities of the American Job Centers (AJCs) around the U.S.

The purpose of the WIOA is:

1. To increase, for individuals in the United States, particularly those individuals with barriers to employment, access to opportunities for employment, education, training, and support services needed to succeed in the labor market— particularly for individuals with barriers to employment.
2. To support the alignment of workforce investment, education, and economic development systems in support of a comprehensive, accessible, and high-quality workforce development system.
3. To improve the quality and labor market relevance of workforce investment, education, and economic development efforts to provide America’s workers employers with the skilled workers the needed to succeed in a global economy.
4. To promote improvement in the structure and delivery of services through the workforce development system to better address the employment and skill needs of workers, jobseekers, and employers.
5. To increase the prosperity of workers and employers, the economic growth of communities, regions, and states, and the global competitiveness of the U.S.  

(https://dwd.wisconsin.gov/wioa/pdf/fs_purposes.pdf)

The WIOA is the funding source for state workforce agencies and local workforce development boards (WDBs) in the U.S. Funds are sent to the State Department of Workforce Development (DWD) and distributed. The attached chart (see appendix) developed by the Public Policy Forum outlines key agencies that receive funding. WIOA programs and funding enables employment and training services for:

- Adults
- Dislocated workers
- Youth
- Wagner-Peyser employment services administered by the Department of Labor (DOL) through formula grants to states
- Adult education and literacy programs
- Vocational Rehabilitation state grant programs that assist individuals with disabilities in obtaining employment
National Association of Counties

The National Association of Counties (NaCo) is also concerned about the imbalance in the supply of a ready workforce. In recent conversations the organization highlighted the following points:

1. Workforce development must be more than just placing people in jobs. Moving people from entry level to next level must be a priority to maximize people and resources.
2. Quick, efficient training programs that update skills required by employers must be a goal of workforce development agencies and their partners. Businesses must take an active role in developing the right training and commit to those individuals that complete the training, into their organizations.
3. Apprenticeships in the trades are not being filled. These are good wage jobs with much future potential.
4. Technological literacy is key to closing the income gap. This must become part of the training programs being developed and offered to skill-up workers.
5. Re-entry programs must continue to be better utilized.
6. Transit/transportation and housing are also key ingredients that need to be part of the dialogue to establishing a strong, viable workforce which strengthens and secures communities.
WISCONSIN’S WORKFORCE PICTURE

The state of the workforce picture in Wisconsin mirrors much of what is happening around the country. As of summer 2017, there were over 5 million job openings in the U.S. The country has not seen this kind of robust need for workers in almost 20 years. Wisconsin has never had more people employed (labor force participation over 3 million individuals), with the unemployment rate registering at the levels it has not seen since the early 2000s, which was 3.5%.

Whether it’s skilled or non-skilled labor, employers in Wisconsin say it’s getting hard to find and match incoming job candidates with the work that’s available. Ann Franz, director of the Northeast Wisconsin Manufacturing Alliance, recently told the La Crosse Tribune that the state is “at the brink of a crisis.”

“Buckley Brinkman, executive director and CEO of the Wisconsin Center for Manufacturing & Productivity, said in a December 2017 Industry Week article: “Addressing this issue will require coordinated and aligned efforts from business, government, education, and community organizations. We are missing 20 million people in the current workforce and will need every available worker and more to keep the economy growing.”

In contrast to the low unemployment numbers across the state, it should be mentioned that most urban centers show a much higher unemployment rates, especially in areas with high concentrations of people of color. For instance, the unemployment rate for black workers in Wisconsin is three and a half times as high as the rate for white workers. Black workers in Wisconsin faced an unemployment rate of 9.6% in 2017, compared to 2.6% for white workers, a difference of more than six percentage points.

In effect, the recession is still continuing for black workers. In fact, you have to go back 34 years to 1983 to find a time the unemployment rate for white workers in Wisconsin was as high as the black workers' rate in 2017. (urbanmilwaukee.com/2018/03/29/wisconsin-budget-the-black-white-unemployment-gap)

Key Factors Affecting Workforce Development in Wisconsin

The system to train and grow our workforce is well intended but highly complicated. It is not smooth or intuitive. Workers and employers alike don’t know where to go to get needed training or resources. There are literally hundreds of organizations and agencies, both large and small that are trying to address skill development.

We need to refine the process and the way to start is with funding. Funders need to understand that the number of providers needs to be reduced. As one workforce board member stated, “It’s the wild, wild west out there. There are too many agencies that offer any number of training programs to workers. Also, there are no standard criteria for training, not even among the 11 workforce boards and most are not tied to employers with jobs. These entities are able to get funding from any number of foundations and other sources.”
Other factors affecting workforce development in Wisconsin include:

1. The low unemployment rate has put to work most of the available workforce.

2. The state's manufacturing industries have gained almost 50,000 jobs since 2009. Given the healthy economy, this increase in jobs falls across most market sectors.

3. The overall number of available workers is low. The baby boomers have created a 20 million worker shortfall by not having the same number of children as their parents. As a result, Generation X is a relatively small group, creating the “body gap”.

4. The oldest baby boomers (born in 1946) will be 72 years old in 2018. Many have already left the workforce. The youngest (born in 1964) will be 54 years old, a year away from a rapid decline in their participation in the labor force creating deeper shortages of trained workers.

5. Given that workforce shortages are a global issue, it is creating an uphill battle for employers, not just locally but worldwide:
   - No true coordination of workforce efforts around the state
   - Money continues to come in from the State and Federal sources but not to the same organizations necessarily
   - There is not consistent agreement as to what needs to happen with workforce challenges

**Wisconsin Job Projections**

Under the Workforce Innovation and Opportunity Act (WIOA) the Governor of each state must submit a Unified or Combined State Plan that outlines a four year workforce development strategy for the State’s workforce system. The publicly-funded workforce system is a national network of Federal, State, regional, and local agencies and organizations that provide a range of employment, education, training, and related services and supports to help all jobseekers secure good jobs while providing businesses with the skilled workers they need to compete in the global economy. States must have approved Unified or Combined State Plans in place to receive funding for core programs.

The State of Wisconsin PY16-19 WIOA Combined State Plan published on Oct. 20, 2016 lists Wisconsin’s long-term industry employment growth in the below areas:

- Construction 18.36%
- Professional and business services: 14.54%
- Education and health services 11.10%
- Financial activities: 9.79%
- Leisure and hospitality: 9.24%
- Other services (except Government): 5.01%
- Trade, transportation, and utilities: 4.34%
- Manufacturing: 2.02%
The above addresses growth, but it does not necessarily reflect the need for replacement workers. Manufacturing was only predicted to grow 2.02 percent, but Wisconsin currently has a high demand for manufacturing jobs that is not being met. The Fox Valley alone reports a need for 100 welders a month. It is predicted that the need for manufacturing will remain predominate in Wisconsin because of the diversity of the industry in metal, plastics, wood, paper and food.

According to the Wisconsin Department of Workforce Development’s (DWD) Bureau of Workforce Information and Technical Support (BWITS) projection model simulations, an estimated 46,000 jobs could go unfilled in the state in the year 2022 due to labor force quantity constraints. Workforce Development Boards (WDB) throughout the state report high needs in:

1. Manufacturing/advanced manufacturing
2. Healthcare
3. Information technology
4. Leisure and hospitality
Workforce Development Boards

Workforce Development Boards (WDB) are part of the Public Workforce System, a network of federal, state, and local offices that support economic expansion and develop the talent of the nation’s workforce. The WDBs’ role is to develop regional strategic plans and set funding priorities for their area.

Think of a local WDB as the link to the public workforce system. As one of its many functions, many WDBs facilitate partnerships between local businesses with similar training needs. WDBs also rely on labor market information to develop sector strategies that focus resources on a high growth industry for their area, often involving skill training for local businesses.

More than 50 percent of each WDB’s members must come from the business community. In addition, WDBs are required to have representation from local community colleges and other training providers, as well as elected officials and workforce program leaders. This ensures that current skill needs of local businesses are communicated to relevant training.

There are 11 Workforce Development Areas (WDA) in Wisconsin, encompassing all 72 counties. Ten of the eleven workforce boards serve more than one county, while Employ Milwaukee serves only Milwaukee County. The WDB’s are strategic and administrative and are designed to oversee the one-stop system and its services.

Workforce Innovation and Opportunity Act (WIOA) mandates that local Workforce Development Boards shall not provide services directly to customers. WDB’s are required to competitively select service providers in compliance with all state and federal regulations. Doing this creates a very clear and distinct firewall between the boards and the services delivered to customers.

Each WDB has contractors for services for:

1. WIOA Title I-B Adult, Dislocated Worker and Youth Programs. Job Service and Vocational Rehabilitation programs are not contracted by the board but administered by the Wisconsin Department of Workforce Development.
2. Adult Basic Education and English Language Learner Programs (WIOA Title II) is administered by the state - Wisconsin Technical College System:

3. Comprehensive AJCs provide access to required Job Center partners in one of three ways:

- Program staff is physically present.
- Partner program staff physically present at the job center are appropriately trained to provide information to customers about partner programs
- A “direct linkage” to program staff is provided through technology

WDB’s collaborate statewide through the Wisconsin Workforce Development Association (WWDA) (Career One Stop, US Department of Labor) (State of Wisconsin, Department of Workforce Development)
Northwest Concentrated Employment Program

Northwest Wisconsin Concentrated Employment Program, Inc. (CEP) is a private non-profit agency that provides One-Stop Career Center services focused on the needs of businesses. It also serves job seekers and youth in 10 counties. The Northwest Concentrated Employment Program functions in the same manner as a Workforce Development Board. The CEP board meets all WDB requirements and has same required board functions.

There are only three CEPs remaining in the nation. Although there have been many changes in federal workforce legislation, the primary focus of CEP has remained to provide employment and training services to unemployed and underemployed adults and youth.

CEP's in Wisconsin serve an area with a population of 185,000 individuals in Ashland, Bayfield, Burnett, Douglas, Iron, Price, Rusk, Sawyer, Taylor and Washburn counties of Northwest Wisconsin, encompassing a 10,000 square mile area. CEP has built positive partner relationships in northern Wisconsin through services provided at eight separate Job Center locations. Along with providing employment and training activities to citizens in our region, CEP also works with other programs such as Vocational Rehabilitation, Pathways to Independence, and the Health Resources and Services Administration. Wisconsin’s local WDB’s developed Local WIOA Plans to reflect the state vision outlined in the WIOA Combined Plan.
SKILL DEVELOPMENT

Skill Development in Wisconsin

In conversations with each of the 11 workforce boards, key agencies and workforce experts, all agree that skill development is the key component in creating the workforce of the future. As the economy continues to be strong, a skilled workforce will ensure the success of business both in Wisconsin and nationally.

One critical success factor for investing in skill training is the direct connection of the industry recognized credential and skill competency awarded to and attained by students and the occupational requirements of a specific job. Working with employers to define skill training needs and tying those trainings to occupational requirements is the best way to fill job openings with the right workers.

There are many programs and resources available to support skill development and credential attainment that fit with the many different types of workers, from displaced workers to workers with little or no work experience to those lacking in basic soft skills.

The challenge with skill development is the sheer number of agencies, nonprofits, associations, and companies that offer training. This makes programs too numerous to track or to ensure consistency. Further, many of the independent programs not in collaboration with a workforce board may not be directly tied to jobs, a critical component to the success of any skill development effort.

In talking with many smaller agencies offering skill training, many were not aware of the efforts of the workforce boards within the state and have not reached out to them for alignment in programming. It is important that any skill training be aligned with “industry recognized” credentials versus a completion certificate of a training provider that is not recognized by all employers.
Many smaller nonprofits are focusing on soft skills training but not the needed technical skill sets for a specific job. Therefore, the 11 workforce boards in Wisconsin have adopted the practice that skill development needs to be tied directly to jobs to gain traction. Although different in the various pockets of the state, each of the boards have organized groups of employer teams (industry advisory boards) related to the kinds of industry prevalent in their respective areas within the state. These employer teams help to define and develop the kinds of training relevant to job openings in their area and work to provide job opportunities to trained employees.

In addition to the Department of Workforce Development (DWD), there are two key state departments that support workforce efforts in Wisconsin, but from different sides of the issue: the Wisconsin Workforce Development Association (WWDA) and the Wisconsin Economic Development Corporation (WEDC).
The Wisconsin Workforce Development Association (WWDA) is the organization that promotes, enhances, and serves the interests of local workforce investment agencies. The WWDA is the governing agency that oversees the interests of the 11 Workforce Boards throughout the State.

Think of the WWDA as the entity that is more involved in the employee side (supply) of workforce. The WWDA works with the workforce boards to develop and implement statewide workforce strategies to build a stronger workforce. It is the organization that promotes, enhances, and serves the interests of local workforce investment agencies and system partners in Wisconsin.

As its name implies, the Wisconsin Economic Development Corporation has a focus on the business side of the workforce equation. WEDC works with more than 600 statewide partners, including regional economic development organizations, academic institutions and industry groups. The goal is to create and maintain a business climate that enhances our communities, supports business development, advances industry innovation, and taps into global markets to help Wisconsin realize its full economic potential.

In addition, the Wisconsin Department of Workforce Development (DWD) and the Wisconsin Technical College System (WTCS) has formed a working collaboration to grow Wisconsin’s workforce, as are many other organizations and agencies.

Training Efforts in Wisconsin

There are multiple training efforts taking place throughout the state in a variety of forms. The best place to start if you are a business, an unemployed worker or even a County Supervisor is with one of the 11 workforce boards. The boards have the greatest comprehensive list of qualified agencies that can provide a wide range of workforce training within the 72 counties in the state.

There are several training programs that have been born out of different state agencies. Some of these include:

1. **Skills Wisconsin**
   Skills Wisconsin is a U.S. Department of Labor Workforce Innovation Fund project. Awarded in 2012 to the Workforce Development Board of South Central Wisconsin, the project, which ended in 2016, aimed to transform how Wisconsin’s workforce system engages with businesses to match workers looking for a job with businesses looking for workers, resulting in better outcomes for workers, businesses and the programs that serve both.

2. **The Wisconsin Career Creator**
   This is a $20 million initiative aimed at improving educational and training opportunities for Wisconsin’s current and future workforce. As part of 2017 Act 58, DWD was allocated $20 million for the 2019-21 biennium to support workforce development for electronics manufacturing jobs and to address long-term workforce development needs.
The Wisconsin Career Creator was developed by DWD and has the support of the WTCS, University of Wisconsin (UW) System, and the Wisconsin Association of Independent Colleges and Universities (WAICU) (Office of the Governor)

3. **Wisconsin Fast Forward**
   Wisconsin Fast Forward helps address the state's need for skilled workers. The program created worker training grants and makes other investments to prepare workers for jobs available today and in the years to come:
   (State of Wisconsin, DWD)

4. **Skill Explorer**
   Skill Explorer looks beyond job titles to match workers with new opportunities related to the skills and training a person already has and jobs they may not have considered.

**Resources for Job Seekers**

There are many resources for those persons seeking jobs. The list below highlights some key programs and agencies involved in workforce development. When in doubt, always refer to the workforce board in your area.

1. **Job Center of Wisconsin**
   Probably the most familiar name in workforce is The Job Center of Wisconsin. The Job Center of Wisconsin connects talent with opportunities throughout the State of Wisconsin. The Job Center has an app for job seekers, CareerOneStop.

   **Apprenticeship in Wisconsin**
   View for apprenticeship opportunities or training or contact the Bureau of Apprenticeship

2. **Wisconsin Technical Colleges**
   Explore careers or prepare for college through contacting any one of Wisconsin’s Technical Colleges

**Training Resources**

Wisconsin has many great training resources including:

1. **Wisconsin Public University System**
   Programs and majors offered across the state, along with admissions and other valuable information

2. **Licensed Occupations**
   View a list of license occupations in the State of Wisconsin

3. **Wisconsin GED/HSED Program**
   View the options to seek more education and improve your employability if you have not yet completed high
4. **Resources for a Planning Career**  
   Find tools to help you take charge and meet your career goals through self assessment

5. **MyDATCP Online Services**  
   Get information on licenses, how to register complaints, various agricultural registries or information on exams with the Department of Agriculture, Trade and Consumer Protection.

**Employer Resources**

There are also many good resources for employers seeking information about nontraditional workers, tax credits and incentives, and tech colleges. The following are key sources for employers:

1. **Recruiting & Retaining Workers with Disabilities**  
   Resources on how to retain a well-trained workforce

2. **Hire a Veteran**  
   View the Veterans Employment Toolkit that provides a variety of outside resources for employers.

3. **Hiring Incentives & Tax Credits**  
   View job training initiatives and information on tax credits

4. **Employer Unemployment Resources**  
   View unemployment news, tax and wage reports and other resources

5. **Wisconsin Technical Colleges Employer Resources**  
   Develop better employees with an education tailored to your needs

6. **Job Center of Wisconsin**  
   Connects talent with opportunities throughout Wisconsin

7. **Apprenticeship in Wisconsin**  
   Contains resources for apprentices or contact the Bureau of Apprenticeship

8. **Wisconsin Technical Colleges**  
   Allows students to explore careers or prepare for college

9. **Wisconsin Public University System**  
   Offers program and majors across the state, along with admissions and other valuable information

10. **Licensed Occupations**  
    Contains a list of license occupations in Wisconsin
THE SKILLS GAP

Wisconsin Technical Colleges and the Skills Gap

We have great technical colleges in Wisconsin that have embraced their role in addressing needed employee skills. The Wisconsin Technical College System (WTCS) spearheaded efforts to address the skills gap by creating a Career Pathways initiative with employers in high demand sectors. These pathways help address the skills gap by expanding the pool of skilled workers for Wisconsin’s employers by providing educational credentials and lifelong learning opportunities for individuals.

The Wisconsin Economic Development Corporation (WEDC) together with the Department of Workforce Development, several Workforce Development Boards, University of Wisconsin-Madison and national policy groups held a meeting in December of 2017 to address these issues. In addition to career pathways, topics included best practices in assessing prior learning, introducing performance funding, leveraging federal grants to further state goals, and fostering entrepreneurship. (WEDC Blog Post)

Skills Gap in Wisconsin

The state’s middle-skills gap goes back roughly 50 years as technological advances began to outpace the educational system. Industries started moving forward, but schools have been slow to catch up in producing adequately trained graduates. In the last two decades alone, the gap has widened significantly.

Many factors contribute to the widening of the skills gap including:

1. **A Change in demographics.** Baby boomers have been retiring from these middle-skills positions for years. The Body Gap (the lack of people between the ages 35-55) has created a situation where the sheer numbers of potential workers simply do not exist, leaving many of these positions with no one to fill them.
2. **There are those who believe that workers with mid-level skills are more susceptible to layoffs in an economic downturn.** The argument could be made that given the current skills gap, these types of in-demand, middle-skill employees may be much harder to let go in the future because of how hard they are to find. Because of this, we will see that certain industries and will transcend a future recession.

3. **Curriculum’s need to adapt to changing technologies, and quickly.** Because of recent advancements, many of today’s jobs didn’t even exist 25 years ago. Yet the same curriculum is still being taught, especially in traditional, four-year institutions where change doesn’t come easily.

4. **Educational institutions lack the proper resources to train workers in new technologies.** Many schools don’t teach new technologies due to lack of money, time, qualified instructors and other key resources. Coupled with the fact that technology is changing so fast, it is hard for schools to keep up. Budget cuts across the board have only compounded the problem, especially with the lack of up to date technical education courses in high school.

5. **What employers need and what is being taught is mismatched.** The connection between employers and the kind of training potential employees need is not well coordinated or communicated. Poor collaboration has been lacking between schools and employers, producing graduates who aren't fulfilling specific demands.

**What’s Being Done to Address the Skills Gap Issue?**

Issues surrounding the world’s workforce are growing. Employers across the globe report skills shortages in a multitude of industries. The big question globally has become, who will do the work of tomorrow, and what will it look like.

Over the next 10 to 20 years, nearly half of jobs are at risk of being automated, particularly in areas such as transportation and logistics, office and administrative support and manufacturing. As automation grows, it’s critical that people have the skills to respond to these changes in a positive and productive way. Governments around the world are creating initiatives to tackle this growing skills shortage by linking education and business to cultivate the employees of the future.

New skill development initiatives are being launched in places like:

- Singapore, with their SkillsFuture program works to provide businesses and individuals with choices to maximize their skills on a continuous basis, regardless of their existing knowledge base or starting points.

- Or Springboard-Ireland, where professionals are given the opportunity to acquire priceless digital skills in key areas that are linked to their expertise of choice. Springboard intends to close Ireland’s digital skills gap by helping to foster a new breed of professional: those that can continue to thrive in an ever-evolving digital landscape.

Initiatives like these are happening all over the world.
Addressing the Skills Gap Statewide

Wisconsin is one of the leaders in terms of addressing the skills gap, and its tech colleges are right at the forefront. All 16 Wisconsin Technical College System (WTCS) institutions have formed partnerships or have taken other approaches to help close the gap. In 2012, a $3.8 million Wisconsin Workforce Partnership Grant was created by the Wisconsin Covenant Foundation, Inc. uniting businesses across the State with five of Wisconsin’s technical colleges to fill jobs.

1. As employers are desperately in demand of trained workers, it makes the most sense that they take a lead role in partnering with local technical colleges to share exactly what skills are needed, what types of courses should be taught and how best to get students from classroom to employment. Strategic partnerships between employers and technical colleges are even more critical if we are to succeed in creating the right workforce.

2. Apprenticeships are a proven training model where high-quality/high paid work-based learning is combined with related classroom instruction. The benefit to employers is a cost savings, along with high retention rates.

3. Another key is that learning new and advanced skill sets shouldn’t stop after graduation. Employers need to continue to educate and train their current employees to stay relevant and help them advance to the next level.

4. Career Pathways is a relatively new initiative that works in partnership with employers and technical colleges. The program has some employer-approved learning for high-demand jobs that allow students to qualify for the jobs they’ve been trained to do. The advantage is that it introduces workers who have limited skills to earn small awards for their experience in education and work. As students move through this program they develop skill sets that make them

5. There are those employers that recognized early on that workers within their field will be at a premium in the future. One of these industries is construction, which has a high degree of employees in the boomer age group. Many of these statewide and national firms have engaged in their own internal training programs, working to move people up in the ranks in terms of their skill development, and allow spots for more entry level employees.

6. As parents, exposing children to a wide variety of possible interests and careers early in their life helps them to discover what is involved in developing particular job skills or what certain jobs offer in terms of growth. It can be an expensive mistake to push a child into a four-year degree when they were actually interested in a skilled trade. The current thinking is that parents should provide children with options, but encourage them to share what they like and don’t like and help them make choices from that point. A child who makes their own decision about his or her future is more likely to have long-term happiness.

Employers that need to fill job openings can no longer afford to wait for today’s workforce to catch up. These companies are losing money daily by not having the right workforce. While employers
need to be the ones to lead the charge, it’s going to take a collaborative effort before we see the gap between the skills available and the needs of employers begin to narrow. *(Wisconsin Technical Colleges Article)*

There are many employers that are providing unique approaches to recruiting and job training:

- In May 2016, Amazon CEO Jeff Bezos announced the company’s goals of hiring 25,000 veterans and military spouses over the next five years and training 10,000 more in cloud computing skills as part of former First Lady Michelle Obama and Dr. Jill Biden’s Joining Forces Initiative. The first group of apprentices under the new agreement will be trained for AWS’ Cloud Support Associate role.

- Nationwide, there are over 505,000 apprentices currently obtaining the skills they need to succeed while earning the wages they need to build financial security. Apprenticeships can play a vital role in addressing many of today’s skills challenges. *(Apprenticeship.USA@dol.gov)*

- Thousands of private sector jobs have been created under Governor Walker’s message that “Wisconsin is Open for Business.” While employment continues to rise, job postings on Wisconsin’s labor exchange system, www.JobCenterofWisconsin.com, have also risen. There are many programs for training throughout the state. Competitive Wisconsin highlights workforce initiatives on their website, http://www.competitivewi.com and Job Center of Wisconsin as well as many local colleges, universities and tech schools offer regular and customized training programs for employers.

**UW Systems Role in Workforce and Skill Training**

The UW System has the capacity and responsibility to help students at all points in the educational pipeline—from early childhood through secondary school, college, and lifelong learning. Partnering with other educational entities and local communities will help maximize the number of students who enter and remain in the educational system, including those from underrepresented groups. Success in this effort will result in a more highly educated population, which is especially important considering the state’s economic challenges and demographic trend of fewer working-age adults.

**UW System Priorities:**

1. **College Options** – The UW System will expand the current course options program to provide additional opportunities for students to complete college coursework while in high school, including finding ways to deliver these courses in small high schools and in rural areas. It will dedicate resources to connect high school teachers to the university, preparing them to teach college coursework.

2. **360 Advising** – The UW System will work to improve student success and reduce time to a degree by expanding the use of predictive analytics, intensive advising, and other advising practices that provide timely support to students. It will also strive to increase student access to career counseling and financial planning.
The UW System will expand opportunities for adult/nontraditional students to complete a degree through a variety of adult-learning programs, including its competency-based online UW Flexible Option program.

3. **Seamless Transfer** – The UW System will expand the Transfer Information System (TIS) to increase both the number of articulation agreements and the number of participating higher education entities. The transfer process should be seamless, smooth, and easily navigable for all students at any step of their educational journey.

4. **NEW Traditional** – The UW System will expand opportunities for adult/nontraditional students to complete a degree through a variety of adult-learning programs, including its competency-based online UW Flexible Option program.

5. **Wisconsin Workforce Needs** – The UW System will add and/or expand specific academic programs in areas needed in the Wisconsin workforce. In addition, it will raise awareness about high-demand fields with current and prospective students.

**Institution Level Emphasis:**

1. Increasing partnerships with PK-12 and the Wisconsin Technical College System
2. Increasing overall enrollment of Wisconsin high school graduates and adults at the university
3. Closing the opportunity gap for underrepresented minorities Improving student retention, success, and completion
4. Minimizing financial barriers to college for Wisconsin students and families
5. Expanding connections with businesses and other employers to develop programs that meet changing workforce needs. (University of Wisconsin System Blog)
WORKFORCE EFFORTS AT THE HIGH SCHOOL LEVEL

As many communities struggle to meet workforce demands in key industries, high schools are developing strategies to better prepare students for job opportunities in the local labor markets. High schools are getting into the act through the Increase Career and Technical Education (CTE) program.

CTE courses are where students learn a skill or trade such as auto repair, information technology or welding. The program exposes students to new careers and gives them a chance to explore areas of interest in hands-on manner while still in high school.

Wisconsin and other states have been advancing major educational investments focused on the dual goal of improving student’s college and career readiness. Wisconsin is developing new PK-20 longitudinal student data systems that will provide students, parents, educators, and policy makers with better information to improve student learning. Further, the state is working to create a new school accountability system that will more explicitly focus on college and career readiness. (PK-20 alignment refers to the alignments of policies, programs, and strategies from prekindergarten through elementary, middle, and high school into postsecondary and higher education).

Research substantiates the need for additional investment in workforce development strategies at the high school level that will help students successfully transition to college and careers. Further, the need for more rigorous and career-relevant coursework is apparent when, across the nation, 42 percent of community college freshmen and 20 percent of freshmen in four-year institutions enroll in at least one remedial course.
WORKFORCE FOCUS AT THE GRADE SCHOOL LEVEL

The role of schools and formal education has not become unnecessary. Students still need a base of knowledge including the traditional reading, writing, and arithmetic that they receive primarily at the grade school level. The Governor’s Council on College and Workforce Readiness has expressed interest in advancing Academic and Career Plans (ACPs) for all Wisconsin students.

ACP was set in place on June 30, 2013 and required the Wisconsin Department of Public Instruction (DPI) to ensure that, beginning in 2017-18, every school board provides academic and career planning services to pupils enrolled in grades 6-12 within their school district. This includes technology, guidance, training, and staff to implement model academic and career plans. The mission is: Empowering all students to travel the road to adulthood through education and training to careers.

School districts all over the state have reached out to local businesses to create innovative partnerships to prepare graduates for a role in the community. The school districts of Elmrrook and New Berlin in Waukesha County have created partnerships whereby local businesses mentor students and create “real-life” problems for students to solve.

The Brillion School District, located in Calumet County, already possessing a “Fab-Lab” in collaboration with Arians Company, worked to expand its STEM focus by partnering with a range of business and educational consultants including McMahon Cineviz, Duet Resource Group and KI and teaming with the local school district.

(McMahon Engineering & Architecture)

Another example of the new co-operation between education and business is Fab Labs. The WWDC awarded 22 school districts a total of more than $500,000 in grants to establish or expand local fabrication laboratory facilities (Fab Labs).
The technical School System in Wisconsin works to make education as efficient as possible so students can earn a credential in just a few courses (two to 18 credits) at a time. They work with local businesses and their local Workforce Development Boards to ensure that the students are appropriately trained for the needs in the communities where they exist.

Academic and Career Planning (ACPs), also known as individual learning plans or individual graduation plans, are student-driven planning and monitoring tools that help students create programs of study that are aligned with high school graduation requirements, personal interests, and individually-defined career goals.

An ACP can refer to both a process that helps students engage in career development activities and a product (document/portfolio) that is created and maintained for the student’s academic, career, and personal advancement. ACPs are developed collaboratively by students, parents, and school staff, including teachers and counselors, and are dynamic documents that are updated as students’ personal, educational and career goals change.

The Wisconsin Department of Public Instruction (DPI) has been exploring implementation of a high quality ACP through reviews of research and best practice in Wisconsin and around the country.
RECOMMENDATIONS AND CONSIDERATIONS

In creating this report, many different thoughts and ideas came to mind. The following are some recommendations and considerations moving forward:

1. Combining resources to retain talent and skill up the workforce will be the critical mission of local leaders throughout Wisconsin. Minimizing organizational needs and maximizing regional outreach can only be done with enlightened and motivated leadership. Without this, more time and money will be wasted and local businesses will continue to be challenged. There needs to be a regular, ongoing dialogue with a dedicated team of employers (large and small), educators, and workforce organizations across the state to ensure we are doing the right things now.

The best model for a workforce program is one where an area’s employers, educators, politicians and community are engaged and working together to develop a sustainable workforce. These teams, along with the local workforce board come together to address issues in workforce development such as:

- The types of training needed for jobs in the markets unique to that particular area
- Programs or policies that not only train but are focused on how to move employees from one level to another; the first steps in talent retention.
- Looking at creative ways to deal with other challenges like transportation, flexible hours, competitive pay rates, recruiting strategies, etc.
- Working with K-12, high schools, technical and public/private colleges to develop programs for training and development of future employees, in some cases as early as the 5th and 6th grade.

2. Wisconsin’s workforce efforts are much like an emerging business – a good foundation has been laid but now a solid future focused strategic plan needs to be developed. It is especially important that workforce leaders, along with the workforce boards are at the table in developing the plan. The plan needs to address other issues related to employment: technology, transportation and housing just to name a few. The plan should also address how workforce development becomes more than placing people in jobs, and more career tracking. The plan should be reviewed and updated at a minimum of twice per year, to keep pace with changing demographics, workforce needs and resources.

3. There is currently no structure for entrepreneurs in terms of the creation of companies and the workers needed for them. Given that entrepreneurs make up 90% of the businesses in the U.S. this is an important consideration. Perhaps this could be developed as part of the statewide strategic plan. Other items that should be included in a strategic plan include:

- The role of the workforce board of directors
- Each workforce board plan needs to be less tactical and more strategic. Tactics can be handled in the creation of annual action plans.
- Each workforce board plan needs to be connected to the statewide plan and not the other way around.
4. In researching the list of training organizations for this report, the number of organizations being funded for a wide range of workforce development training purposes was overwhelming.

There needs to be a serious review on how organizations are funded and why. It would make sense to have stricter limits on the criteria for funding and the number of organizations that can get funding to ensure there are not duplicate efforts happening with many different organizations. The foundations, cities and counties need to understand that the number of providers needs to be reduced and preferably centralized. Perhaps the tech colleges in Wisconsin could lead the charge in developing criteria in specific market sector training.

5. It was clear in talking with employers, employees and providers across the state that there are very few people that know about the workforce boards and/or the range of services they provide. This was also true of many smaller entities and nonprofit organizations that are currently providing individual workforce programs with no understanding that a workforce board was providing these same services.

In speaking with County Administrators and public officials, most knew about the workforce boards, but many did not know how to best utilize their area’s workforce board in developing a county’s strategies around recruiting and retaining talent.

As with area employers and employees, there needs to be greater communication and collaboration with County officials and the workforce boards. County officials should meet with their workforce board, and should become an active part of the process of defining how to attract and retain talent.

6. A statewide communications plan needs to be developed and shared that speaks to the services of the eleven boards. This would help bring more potential employees and employers into the process, fueling an active program. It would also help to eliminate some of the many groups that have competing programs.

7. Workforce needs across the state differ based on the needs of a geographic area. However, there are many activities that are uniform across the 11 workforce boards, but each board implements their own practices. Some believe that they will lose autonomy if statewide approaches are adopted.

There are many best practices developed by Workforce Boards across the state. For instance, Employ Milwaukee has established an Industry Advisory Board (IAB) operating model around key industry sectors and occupations. Employer and industry representatives drive the alignment of Employ Milwaukee’s talent sourcing and skill development strategies to respond to current workforce and labor market needs.
There are seven market areas represented within the group that include:

- Construction
- Hospitality
- Healthcare
- Financial Services
- Manufacturing
- Information Technology
- Transportation/Logistics

The IAB’s help define the skills needed for those sectors, then they work together to devise workforce strategies. Competitors work together and sometimes recruit together. Best practices like this one and others should become part of the uniform services/programs that should be adopted by each workforce board.

8. There was varied discussion on the pros and cons of combining some of the boards, thereby creating efficiencies and better utilizing funds that could improve the overall statewide workforce development effort. This needs to be researched carefully, preferably by an outside source that can look at workforce board’s functionality with an independent eye.

9. Consider and create a “think tank” about how workforce and skill development be addressed. Find ways to bring “others” into the workforce mix and work to create a culture shift, a shift in thinking in how we view employment, unemployment, and training. In ten years, most of the baby boomers will be out of the workforce. There is an urgency to create a shift in thinking now and 10 years from now. There will be laws that will need to change to support this shift.