COMMUNITY AUDIT FOR

SOUTHWESTERN CONNECTICUT

THE WORKPLACE, INC.

Southwestern Connecticut's
Regional Workforce Development Board

THE WORKPLACE, INC.

JANUARY 2003

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The skills and creativity of our people are our most valuable assets; the slow growth of our workforce and markets are our most serious problems; and the aging and diversity of our population our greatest challenges.

- Andre Mayer, President, New England Economic Project

Executive Summary

The WorkPlace, Inc., Southwestern Connecticut's Regional Workforce Investment Board, has a broad responsibility under state and federal law to guide the job training and related education systems to meet resident and employer needs in the 20 communities it serves.

The WorkPlace, Inc. conducted a Community Audit with U.S. Department of Labor support to assist its Board in planning workforce development strategies in fulfillment of Workforce Investment Act responsibilities. This Community Audit is a comprehensive overview of Southwestern Connecticut's economy, its foundation, and how this foundation impacts workforce development specifically. The WorkPlace, Inc. retained Holt, Wexler & Farnam, LLP, a New Haven-based consulting firm, to prepare this report., which incorporates public meeting, focus group, and sector meeting comments. Altogether, more than 100 business, government, community, education leaders, and community residents attended these input sessions.

The Workforce Investment Board will use this Community Audit in updating its Workforce Investment Plan in 2003.

Labor Force Trends

During the recession of 2001, the Southwestern region employment sank to 1998 levels and saw unemployment rates increase from historic lows in 1999. The current recovery appears to be real, and both the Connecticut Business and Industry Association and the New England Economic Project predict that the Connecticut recovery will pick up speed in 2003. With unemployment steady and fairly low, employers are concerned about a return to the acute labor shortages of the late 1990's in the next 2-4 years.

Between 1998 and 2008, the number of jobs in the Southwest is projected to grow by 43,965 (10.3%), far more than the working-age population. The Service Sector (which includes such diverse positions as cosmetologists, lawyers, home health aides, food workers, receptionists, and social workers) is projected to be the fastest growing (17% increase) and largest regional industry group, constituting 35% of all employment in Southwest Connecticut. The Finance, Insurance, and Real Estate (FIRE) sector will also expand with increases projected at 21%.

Professional, Paraprofessional, and Technical Occupations will grow by 18% and constitute 26% of all positions. Thirty-five percent of all job openings will require college degrees. Sixty-percent of job growth will be in occupations paying <u>below</u> low-income wages.

Demographic Profile

Southwestern Connecticut's workforce has steady growth but dynamic composition. The region has seen very low population growth, the working age population has increased only 0.5% from 1990 – 2000, and the Connecticut Office of Policy and Management has projected that population will grow by only 3% for the next 10 years. The number of people participating in the labor force declined by 2.6% (10,779) between 1990 and 2000 due to a decline in the labor force participation rate, particularly among men. At the same time, the workforce is becoming more diverse, the non-white population in the Southwestern region has increased by 30% between 1990 and 2000, and currently 16% of the region's population is foreign born.

Educational attainment varies significantly throughout the region, with residents in Stamford and Norwalk being much more likely to have higher education. Sixteen percent of adults age 25 and over in the region (87,171 people) lack a high school diploma. Twenty-five percent of the region's population reports some kind of disability that affects their ability to work, as reported to the United States Census.

Efforts linking welfare recipients (Temporary Assistance to Needy Families – TANF – clients) to the workforce have been successful, as TANF cases decreased 55% between 1998 and 2001 (down to 4,545 households). But the remaining TANF clients have low skills and job retention.

The WorkPlace, Inc. should pay particular attention to several populations: Dislocated Workers, Low-Wage Workers, Persons with Disabilities, and Out-of-School Youth. The Connecticut Department of Labor estimates that nearly 9,000 Dislocated Workers were in the Southwestern Region in March 2002, the majority of these workers live in the Bridgeport area, and came from the services or manufacturing sectors. There are 140,203 individuals living in low-wage households (with income less than twice the poverty rate) in Southwestern Connecticut, which is 17.7% of the population of the region. One quarter of the working age population in the Southwest report having a disability, with 10% saying that their disability interferes with working. Five towns in Southwestern Connecticut have higher dropout rates than the state as a whole, and over 900 students across the region dropped out of high school in the 2000-2001 school year, with the large majority in Bridgeport, Stamford and Norwalk.

Together, (a) significant employment growth, (b) a considerable proportion of low-wage jobs, (c) low population growth, and (d) many persons facing significant challenges in the labor market frame workforce development challenges for the region.

Regional Industry Clusters and Trends

The Southwestern economy is fairly strong except for pockets of continued challenge in Bridgeport and areas of the Valley. Finance, Insurance, and Real Estate (FIRE) will remain a growth engine for Stamford and Norwalk while Bridgeport looks to grow the entertainment and tourism, manufacturing, and back office clusters. Although the acute labor shortages in Information Technology occupations eased considerably over the last 18 months, continued skill development is needed.

Employers see technology-reliant industries as large economic engines, and because few industries have workers with transferable skills to meet these needs, developing a workforce to supply this industry is critical. Employers continue to report needing workers with basic skills to fill entry-level jobs.

Training and Employment Infrastructures

The workforce investment system must continue its dual focus of: (1) basic skills training to fill the need for workers in positions requiring short-term on-the-job training, and (2) upgrading workers to fill the growing need for workers with some college education or specialty training, often through the utilization of career ladders.

Fifty-five percent of Connecticut employers see Connecticut's educational institutions as not producing a sufficient number of graduates to meet workforce needs. Education and training are crucial for workers to be able to earn wages that will promote their level of self-sufficiency.

Systems that need to be mobilized to meet these workforce challenges through strengthened partnerships with each other and employers include (a) the educational sector, from the K-12 system, through Vocational-Technical schools, Adult Education programs, community and four-year colleges, and universities, (b) the workforce development sector, including the CTWorks Centers and their full range of partners, and (c) employers in a position to increase investments in workforce training. The federal and state fiscal crises are already affecting the ability of the systems to respond, with declining federal commitment to workforce training and a first-ever state cap on Adult Education, which has reduced funding and increased waiting lists. In this environment, stronger partnerships with employers are called for both to undertake training and to advocate for increased private and public funding for education and training.

In K-12 education, the Southwestern region displays stark contrasts between the upper-income suburban districts and the urban districts on multiple dimensions. Education systems had to adjust as the region's diversity increased with new residents coming from other countries to live and work in Southwestern Connecticut. Correspondingly, employers report needing more and different ESL programs.

Current Opportunities in Workforce Investment

The next few years offer an historic opportunity to use the impending labor and skills shortages to leverage improvement in the skill levels and economic status of groups left behind in the expansion of the 1990's – low-wage workers, dislocated workers, out-of-school youth, and persons with disabilities. The Community Audit concludes with six recommendations for moving the region forward:

- Increase workforce and education system effectiveness in delivering graduates from K-12 to adult education to higher education with the requisite basic skills to earn a living and meet employers' needs.
- Promote lifelong learning and career ladders as a solution to meeting employer's needs for a skilled and flexible workforce.
- Mobilize a regional campaign to address both basic technological literacy and specific occupational training needs.
- Broaden the involvement of business, especially in incumbent worker training.
- Continue to re-evaluate and strengthen the Workforce Investment System.
- Increase public and philanthropic support for workforce investment.

The WorkPlace, Inc. has a number of workforce development initiatives addressing the broad needs of the region as well as the needs of particular populations and systemic issues. The WorkPlace, Inc. Board and staff will use the Community Audit findings in assessing the need for adjustments to these efforts or for new initiatives.

I. Introduction

The WorkPlace, Inc.

The WorkPlace, Inc., Southwestern Connecticut's Regional Workforce Investment Board, has a broad responsibility under state and federal law to guide the job training and related education systems to meet the needs of residents and employers in the 20 communities it serves.

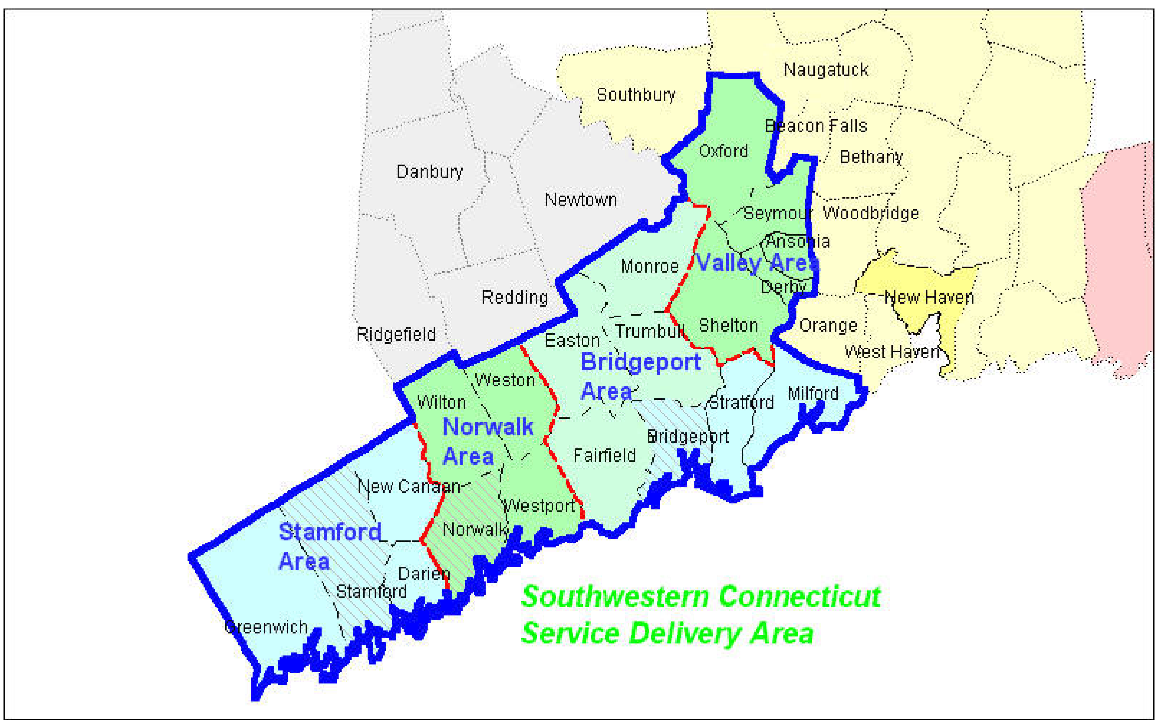
Community Audit

The WorkPlace, Inc. conducted this Community Audit with support of the U.S. Department of Labor to assist the Board of Directors of The WorkPlace, Inc. in planning workforce development strategies in fulfillment of their responsibilities under the Workforce Investment Act.

The Community Audit is a comprehensive overview of the state of Southwestern Connecticut's economy, its foundation, and how this foundation impacts workforce development specifically.

The WorkPlace, Inc. retained Holt, Wexler & Farnam, LLP, a New Haven-based consulting firm, to assist in the preparation of this report. The needs assessment incorporates comments received at two public meetings and seven focus groups and sector meetings held to solicit input from diverse interests. Altogether, more than 100 business, government, community, education leaders, and community residents attended these input sessions. The Workforce Investment Board will be using the analyses from the Community Audit in preparing its 2003 update to its Workforce Investment Plan.

Figure I-1: Map of the Southwestern Connecticut Workforce Investment Area



For this report, the consultants relied on secondary (existing) data sources, which were augmented by information collected through focus groups, a survey of dislocated workers, individual interviews, and public meeting feedback.

Southwestern Workforce Investment Area

The WorkPlace, Inc. serves 20 towns within Fairfield and New Haven Counties that make up The Southwestern Connecticut Workforce Investment Area (Southwestern Region), covering a total area of 462.3 square miles. The Southwestern Region, as designated by the US Department of Labor, is divided into two labor market areas (LMAs): Bridgeport (except for Beacon Falls) and Stamford (see sidebar).

For planning and service purposes, The WorkPlace, Inc. divides the area into four sub-areas: the Lower Naugatuck Valley (The Valley), Bridgeport, Norwalk, and Stamford (see Figure I-1). This allows The WorkPlace, Inc. to appropriately respond to the unique needs and characteristics of each sub-area, which collectively are home to some of the nation's richest and poorest residents, and have a diversity of needs that present challenges for service delivery. Altogether, the region is home to 807,789 people and more than 395,000 full and part-time jobs.

Table I-1: Planning Sub-Areas

Towns in Southwestern Connecticut Workforce Investment Area	
Bridgeport LMA	**Stamford LMA**
Bridgeport Area	**Stamford Area**
• Bridgeport	• Darien
• Easton	• Greenwich
• Fairfield	• New Canaan
• Milford	• Stamford
• Monroe	
• Stratford	
• Trumbull	
Valley Area	**Norwalk Area**
• Ansonia	• Norwalk
• Derby	• Weston
• Oxford	• Westport
• Seymour	• Wilton
• Shelton	

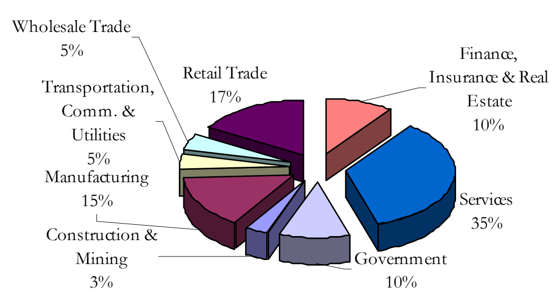
II. The Regional Economy and Labor Market

Employment by Major Sector

Southwestern Connecticut has a particularly robust Services sector, which represents a total of 35% of employment in the region, and continues to be the largest and fastest growing industry. Retail Trade follows with 17% of the total employment; Manufacturing with 15%; Finance, Insurance, and Real Estate (FIRE) with 10%; and Government with 10%. Smaller industry sectors include Wholesale Trade with 5% of the total employment, and Transportation, Communications and Utilities with 5%; and Construction and Mining with 3%.

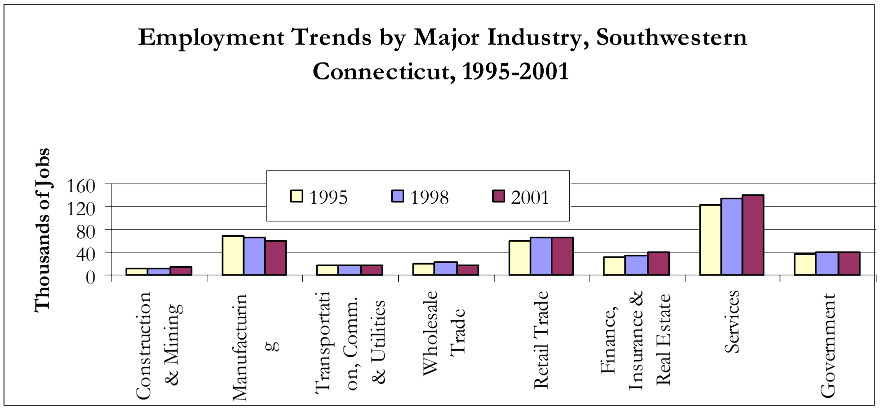
Figure II-1

Employment Distribution by Major Industry, Southwestern Connecticut, 2001



Source: The Connecticut Department of Labor, 2001

Figure II-2



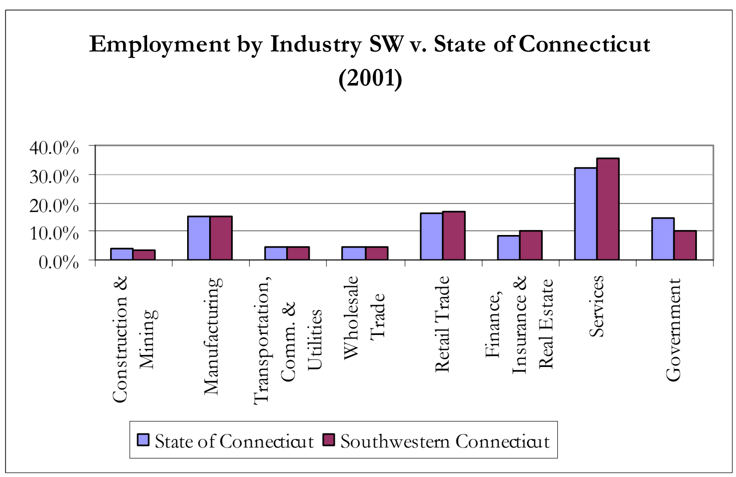
Source: The Connecticut Department of Labor, 2001

Between 1995 and 2001, the FIRE Industry saw the largest percentage gains in employment in Southwestern Connecticut, growing by 25%. Construction and Mining grew by 16%; Transportation, Communications, and Utilities grew by 12%; as did the Services sector. Government grew by 11%, and Retail Trade jobs grew by 7%. Two industry sectors saw significant job losses, Wholesale Trade, which shrank by 10%, and Manufacturing, which shrank by 14%.

The impact of recent economic events may shift these outcomes. The burst of the Internet bubble hit Southwestern Connecticut particularly hard, resulting in a decrease in jobs in the business services sector.[1] The impact of the events of September 11, 2001 also has impacted the Southwestern economy, given its close ties to the New York City economy. In particular, industries that have suffered greatly have been:

- The construction industry, which is a small and sensitive industry that had seen recent growth;[2]
- The hospitality industry; and
- Transportation workers, particularly those associated with air transportation.[3]

Figure II-3



Source: The Connecticut Department of Labor, 2001

Southwestern Connecticut has a significantly higher percentage of workers in the Services and FIRE sectors, and significantly fewer workers in the Government and Construction and Mining Sectors than the State of Connecticut as a whole.[4]

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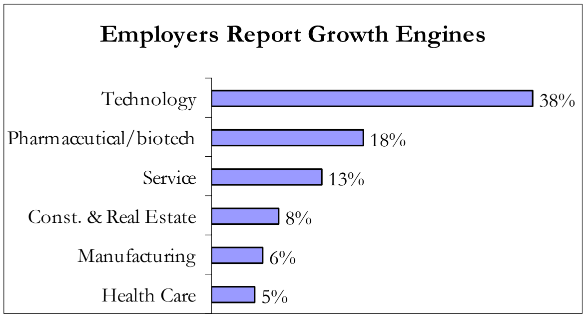
1 Joo, Jungmin Charles, *2001: A Recession Odyssey,* Connecticut Digest, March 2002 p1.
2 Ibid. at 1.
3 Hall, Douglas, and Shelley Geballe, *The State of Working Connecticut*, Data Connections, Connecticut Voices for Children, September 2002, p. ii.
4 "Significant" is defined as 1.5 percentage points or more.

Connecticut businesspersons overwhelmingly predict that the technology industry will be the largest engine of growth in the State. In 2001, 38% of businesspersons surveyed identified Technology as the most significant growth engine in the State and 18% predicted that Pharmaceuticals and Biotechnology would be the most significant growth engine.

Figure II-4



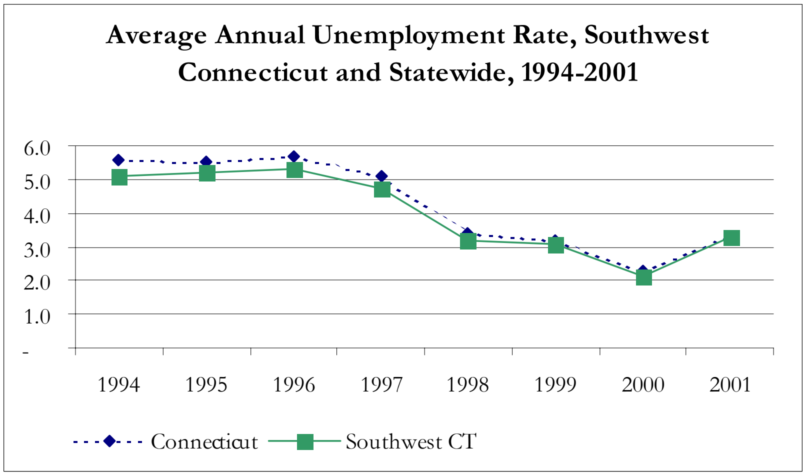
Source: CBIA Annual Report 2001

Local Area Unemployment Statistics

Southwestern Connecticut's unemployment rate has historically hovered just below State unemployment trends. Both the State and the Southwestern Region saw unemployment decrease consistently between 1996 and 2000. The gap between the State and region narrowed in 2001, when both reported unemployment rates of 3.3%

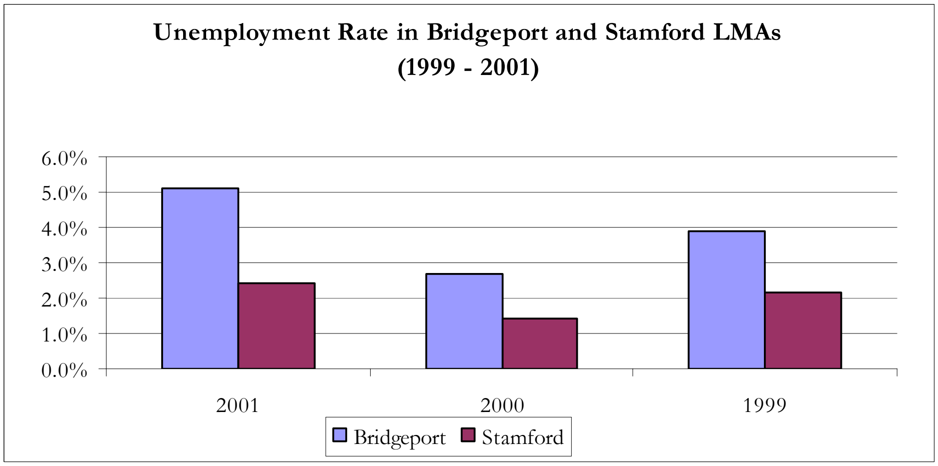
Within the region and state, unemployment hit historic lows in 2000, rose in 2001, and appears to be decreasing in 2002.

Figure II-5



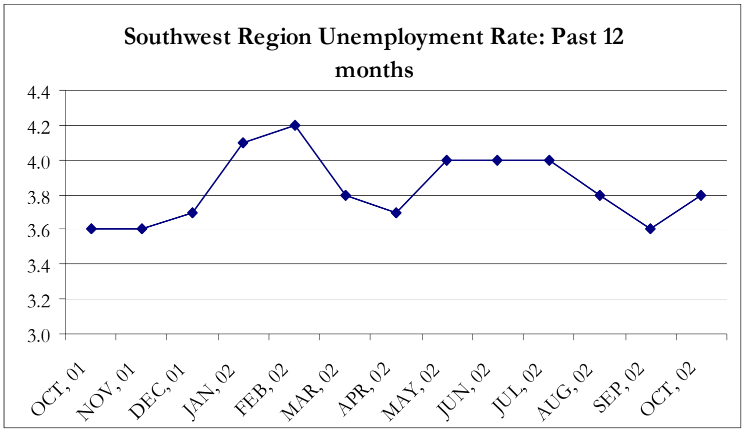
Source: The Connecticut Department of Labor, 2001

Figure II-6



Source: The Connecticut Department of Labor, 2002

Figure II-7



Source: The Connecticut Department of Labor, 2001

In 2000, both the Bridgeport and Stamford LMAs saw dramatically low unemployment rates, the Bridgeport LMA unemployment rate dropped to 2.7%; while the Stamford LMA unemployment rate fell to 1.4%. In 2001 the average unemployment rates climbed to 5.1% and 2.4% respectively.

During 2002, the region's unemployment rate rose from the recent lows of late 2001 and early 2002, peaking in February[5]. In August, 2002, the entire Southwestern Region reported an unemployment rate of 3.8%, with the Bridgeport and Stamford LMA at 4.9% and 2.7% respectively.

Table II-1

Number of Jobs, April 2001, April 2002			
	Estimated Employment (April 2002)	Employment (April 2001)	% Change
Construction & Mining	12,500	13,100	-4.6%
Manufacturing	57,900	60,000	-3.5%
Transportation, Comm. & Utilities	17,700	17,500	1.1%
Wholesale Trade	18,100	18,300	-1.1%
Retail Trade	62,700	64,300	-2.5%
Finance, Insurance & Real Estate	39,300	39,400	-0.3%
Services	136,100	137,900	-1.3%
Government	39,800	40,300	-1.2%
Total SW Nonfarm Employment	384,100	390,800	**-1.7%**
Total CT Nonfarm Employment	1,673,400	1,685,800	**-0.7%**

Source: The Connecticut Department of Labor, 2002

In 2001, Southwestern Connecticut employment decreased by 1.7%, compared to losses of .7% across the State. Seven of the 10 Labor Market Areas in Connecticut lost jobs in 2001. This decrease in employment followed annual job gains for the past eight years. The hardest hit areas in Southwestern Connecticut were Construction and Mining, Manufacturing, and Retail Trade.

Economic Outlook and Projections

Short Term Economic Outlook

The Connecticut Business and Industry Association (CBIA) quarterly survey reports economic recovery in the third quarter of 2002, but not as robust as the second quarter.[6] CBIA concludes that the current recovery is real, but will continue to be uneven and slow. Similarly,

CBIA Employer Survey

CBIA's third quarter survey of employers found that more than half of firms surveyed are addressing labor needs without hiring new workers:
- 16% are hiring temporary workers
- 18% are utilizing part-time rather than full-time employees.
- 19% are increasing their use of overtime

Companies are expecting hiring changes at the beginning of 2003, when:
- 12% expect to see a 5 percent or greater increase in their workforce
- 28% will increase their workforce by up to 5 percent
- 39% expect their employment to be the same as now
- 16% of respondents expect to reduce the number of employees by up to 5 percent
- 6% expect to cut more than 5 percent of existing workers

Source: CBIA Third Quarter Survey 2002

[5] A change in how the Connecticut Department of Labor calculates the unemployment rate may be the reason for some of the spike demonstrated.
[6] Connecticut Business and Industry, *Quarterly Economic Survey Third Quarter 2002* (2002).

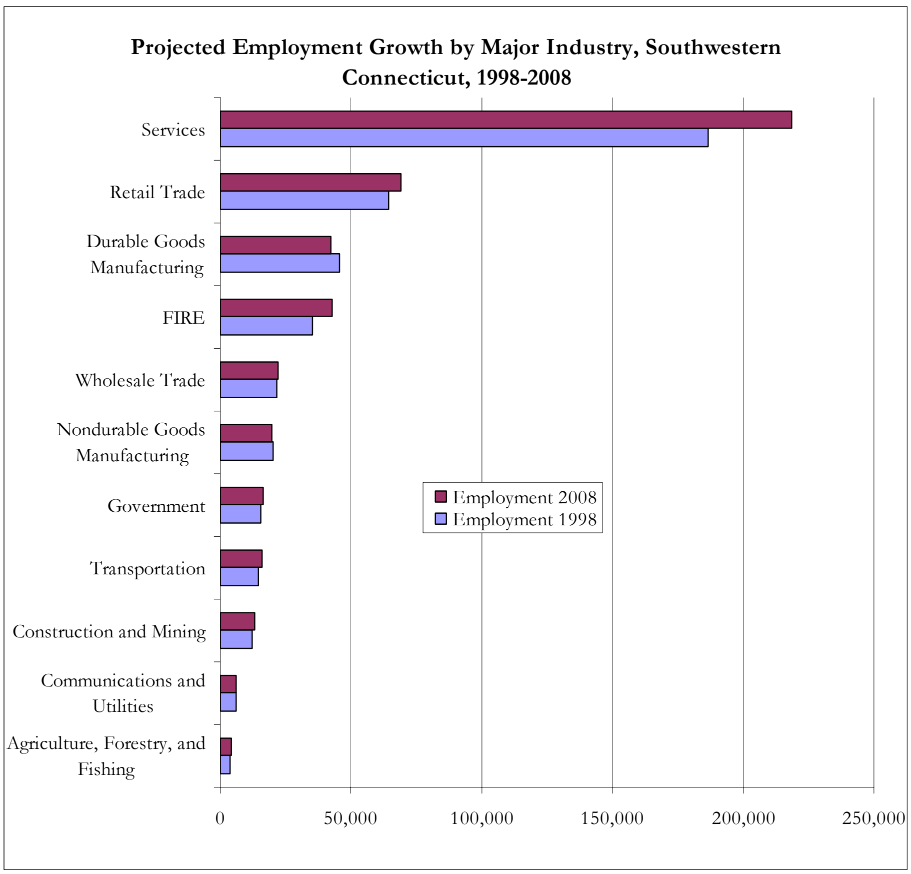
the New England Economic Project (NEEP) reports very slow growth in 2002, and projects that the Connecticut recovery will pick up speed as we enter 2003.[7] Twenty-five percent of businesses surveyed by CBIA anticipate that the State's economy will improve during the last quarter of 2002. While employers report that they are not hiring new, permanent workers at this time, 40% expect some permanent increases in their workforce in 2003.

Projected Employment Growth

The Services and Retail Trade (such as doctors, lawyers, secretaries, clerks, and salesmen, retail managers and workers) will continue to have the largest number of annual openings, and Finance, Insurance, and Real Estate (FIRE) will grow the fastest as a sector. This trend is documented by such recent business activity as the growth of UBS Warburg (FIRE), Raymour and Flanagan (Retail), and Home Depot (Retail) in the region.

The Department of Labor has projected that overall employment growth in Southwestern Connecticut will be an aggressive 10.3% (43,965 jobs) by 2008 (Figure II-9). Of the major sectors, Finance, Insurance, and Real Estate (which includes such jobs as bank tellers, real estate agents, investment bankers, and insurance salesmen) will have the highest rate of growth at 21%[8]; followed by the Services industries at 17% growth. Transportation will grow by 9%; Retail Trade will grow by 7%; Communications and Utilities will grow by 6%, and Construction and Mining will grow by 5%. Government will see meager growth of 3.7%; as will Wholesale Trade at 1.6%. Only Manufacturing will see a decrease in the number of jobs available, with Nondurable Goods Manufacturing declining 2.7%, and Durable Goods Manufacturing decreasing by 7%.

Figure II-8



Source: The Connecticut Department of Labor, 2001

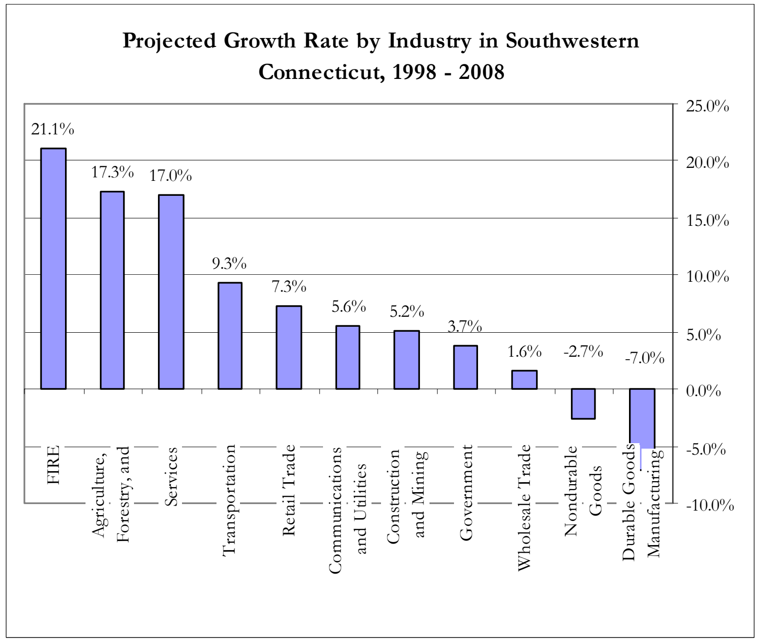
7 Hahn, Shirley, *Slow But Steady Economic Recovery Forecast for Connecticut*, New Haven Business Times, June 2002, p. 12.

8 The projected growth in FIRE is somewhat surprising given that the industry has been creating revenue streams with fewer workers (with upgraded skills) using Technology investments (from ATM's replacing bank tellers to electronic communication increasing productivity of top executives). These investments make the industry more profitable, but can also make future job creation in FIRE a challenge. (Dyer, Linda, *Keep Connecticut's Home FIRE Burning,* Connecticut Economic Digest, June 2000, p1)

Professional, Para-professional, and Technical Occupations will have a total of 3,720 (26% of of all positions) positions available annually between 1998 and 2008 (See Figure II-10). Service occupations will have 2,626 positions available annually (18% of total), Marketing and Sales will have 2,304 positions (16% of total), Clerical/Administrative Support will have 1,997 (14% of total), Operators, Fabricators, and Laborers will have 1,256 positions (9% of total), Executive, Administrative, and Managerial will have 1,145 positions (8% of total), Precision Production, Craft, and Repair will have 985 (7% of total) and Agriculture, Forestry, and Fishing will have 212 (2% of total).

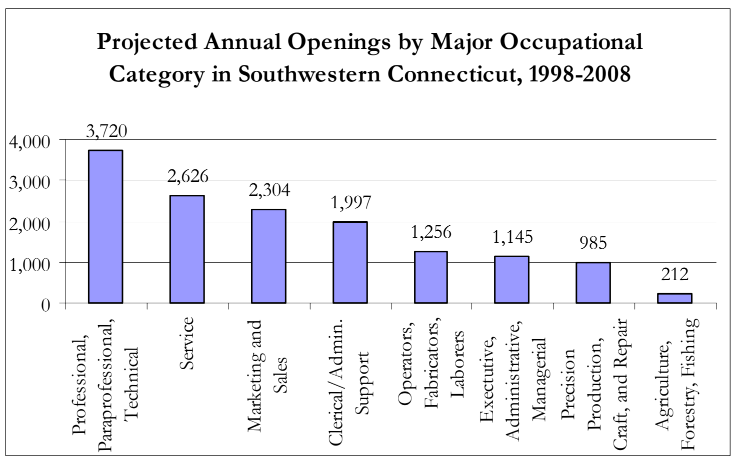
The Southwestern Region will see stronger growth in Professional, Paraprofessional, and Technical, Agriculture, Forestry, and Fishing, Executive, Administrative, and Managerial, and Clerical/Administrative Support than the State of Connecticut, and will see less growth in Precision Production, Craft, and Repair and Operators, Fabricators, and Laborers than the State (See Figure II-12).

Figure II-9



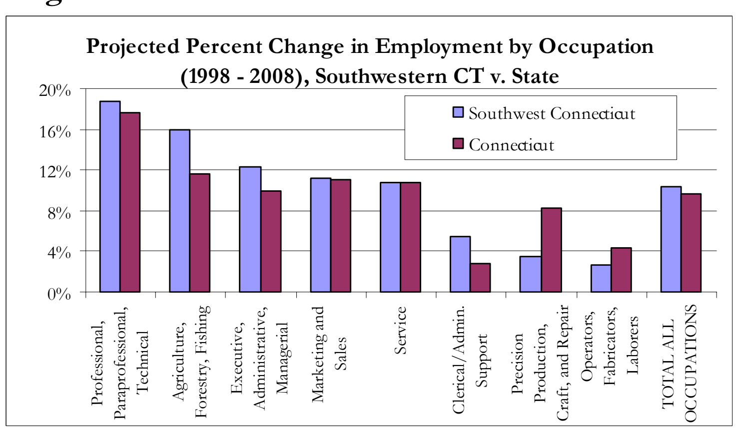
Source: The Connecticut Department of Labor, 2001

Figure II-10



Source: The Connecticut Department of Labor, 2001

Figure II-11



Source: The Connecticut Department of Labor, 2001

III. Regional Industry Clusters and Trends

The Community Audit looked at industry trends and recent economic development experience specific to each of the four service areas within the Southwestern region based on interviews, a focus group with economic development personnel, and a review of plans and news reports. The focus was on assets and needs regarding both new hires and incumbent employee development.

The overall theme is that the Southwestern economy is fairly strong with the exception of pockets of continued challenge in Bridgeport and areas of the Valley. While there is substantial uncertainty as to the impact of international events and national economic trends, there is a strong sense given current developments that the tight labor markets of the late 1990's will return strongly in the next two to four years.

Local and state economic development officials are working to build a number of defined "clusters", concentrations of companies and industries in a geographic region which are interconnected by the markets they serve and the products they produce, as well as the suppliers, trade associations and educational institutions. State budget cuts threaten to slow this work, however. State-defined clusters with active cluster organizations and membership from the Southwest include Software and Information Services, Metal Manufacturing, and Maritime Business.[9] Table III-1 shows the distribution of jobs by sub-area according to the Census, showing the considerably higher concentration of FIRE and professional and administrative jobs in the Stamford and Norwalk areas and of manufacturing in the Bridgeport and Valley areas. The skill requirements of regional clusters are discussed in Section V.

Table III-1 Employment by Industry by Sub-area, Southwestern Connecticut, 2000

	Bridgeport Area		Valley Area		Stamford Area		Norwalk Area	
Industries	Total	Percent	Total	Percent	Total	Percent	Total	Percent
Agriculture	368	0.2%	88	0.2%	251	0.2%	128	0.2%
Construction	9,927	6.0%	3,373	6.8%	5,872	5.6%	4,446	6.9%
Manufacturing	25,276	15.3%	9,342	18.9%	9,229	8.7%	7,334	11.4%
Wholesale Trade	5,198	3.1%	1,683	3.4%	3,409	3.2%	2,419	3.8%
Retail Trade	19,911	12.0%	6,048	12.3%	9,767	9.3%	7,315	11.4%
Transportation	6,598	4.0%	1,802	3.7%	3,087	2.9%	1,858	2.9%
Information	5,811	3.5%	1,391	2.8%	5,670	5.4%	3,962	6.2%
FIRE	15,562	9.4%	3,527	7.2%	18,503	17.5%	8,931	13.9%
Professional & Administrative	18,871	11.4%	4,623	9.4%	19,084	18.1%	12,305	19.2%
Ed., Health & Social Svcs	34,318	20.8%	10,596	21.5%	16,849	16.0%	11,539	18.0%
Arts, Ent., Rec., Lodging & Food	9,665	5.8%	2,626	5.3%	6,079	5.8%	3,765	5.9%
Other Services	8,238	5.0%	2,334	4.7%	5,463	5.2%	3,282	5.1%
Public Adm	5,538	3.4%	1,883	4%	2,303	2.2%	1,348	2.1%
TOTAL	**165,281**		**49,316**		**105,566**		**68,632**	

Source: U.S. Census

9 For detailed updates on the state's cluster initiatives, go to http://www.state.ct.us/ecd/Clusters/default.htm. The Software and Information Services Cluster has a web site at http://www.ct.org/AboutUs/eBizCT.asp

The Valley Area

The recent Needs Assessment of the Valley reports that:[10]

- Economic development efforts have prioritized attracting new companies to the area above retaining existing companies and developing small businesses.
- Small, municipally based economic development groups do not have the necessary capacity as individual agents of positive change (with the exception of Shelton Economic Development Corporation).
- The lack of a Valley location for the Small Business Development Centers and other regional business resources limits their use by entrepreneurs and small businesses in the Valley.

Many companies in the Valley have moved into "survival mode" due to the softened economy, with increased focus on sales and employee time management. Transportation continues to be a major concern and impediment to growth, specifically:

- Freight movement along the Rte. 8 corridor is in good shape, but commuting along that corridor is a growing concern.
- The entire transportation system is interconnected and very fragile, as demonstrated by the multitude of problems caused by single traffic incidents.

The Valley towns are working in a regional collaborative of 17 towns in the Naugatuck Valley on a Comprehensive Economic Development Strategy for submission to the U.S. Economic Development Administration with recommendations due in early 2003.

Bridgeport Area

The elimination of non-essential business functions has endangered numerous jobs in the core of Bridgeport. Activity in the port is creating some new manufacturing jobs, including skilled positions in welding and aluminum working. The construction of two major courthouses will boost the construction industry and is the most definite sign of new growth. Other plans to spur economic growth include:

- Increasing ferry service to Long Island, improving rail service, and developing container services to increase port activity.
- The Sports and Entertainment cluster should be accompanied by complementary retail and restaurant opportunities. A downtown artists' housing development should reinforce this direction.

Officials are attempting to attract the "Back Office" functions of FIRE and Service industries from southern Fairfield County, including telephone and customer service centers of companies that remain in other locations or that will move their front offices to Bridgeport in a full relocation. The cluster made more sense when the economy and real estate market were hotter, but certain projects are still progressing forward including the Lake Success Business Park (380 acres) and Steel Point (50 acres).

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[10] *The Valley Needs Assessment*, Mount Auburn Associates, (2002) Executive Summary.

Norwalk Area

The Norwalk Area demonstrates that housing affordability, transportation, and employment are interrelated issues. Although the area was hit by the dot-com bust, real estate development continues to drive economic development. Specifically:

- Construction is occurring across sectors: office, retail, and residential.
- The trend in new housing developments is toward relatively large apartment houses, especially for Norwalk, with 200-300 units. At least two of these buildings are currently under construction.
- New commercial projects include the Avalon Building, the new Merritt 7 Building, and the Norton Building, all within reach of public transportation stops.
- The majority of new retail tenants are renting small spaces, but some large tenants are also entering the market.
- The typical larger tenant is relocating from further south in the region in order to ease transportation for its employees. Business is moving northward, from NYC to southern Fairfield County, Norwalk, and Shelton.
- The Norwalk area continues to see a diversity of new businesses absorbing office space across sectors. The workforce skills demanded remain strong basic skills, SCANS competencies,[11] and technology skills.

Stamford Area

Financial and business services continue to be important in the Stamford Area. UBS Warburg alone will be adding 5,000 new jobs. Although the acute labor shortages in the Information Technology market have eased considerably in the last 18 months, this remains a strong area in need of continued skill development. For example, several firms have recently partnered with Norwalk Community College to support development of a Cyber security degree program to meet a growing need in the region. Several new projects should serve as anchors for growth in other areas:

- A new "Entertainment Zone" has been created to attract film industry-related businesses, including Rosco, a theatrical lighting manufacturer, and special effects companies.
- The $37.8 million Dock Street Connector, to be completed by 2005, should create new jobs in hospitality, with a new conference center and ferry terminal (likely running to both Manhattan and Long Island).
- Scattered Housing Projects, including 6 planned housing projects that include a total of over 1600 units.
- A new parking garage at the Stamford train station is underway.

The outlook for Stamford remains strong with a continuing need for entry-level labor and skilled labor at a range of levels, focused in the finance and related industries.

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[11] Workplace skills and personal qualities (such as using resources, information, interpersonal skills, systems, and technology) identified in the Secretary of Labor's 2000 report "What Work Requires of Schools: A Secretary's Commission on Achieving Necessary Skills (SCANS) Report for America 2000."

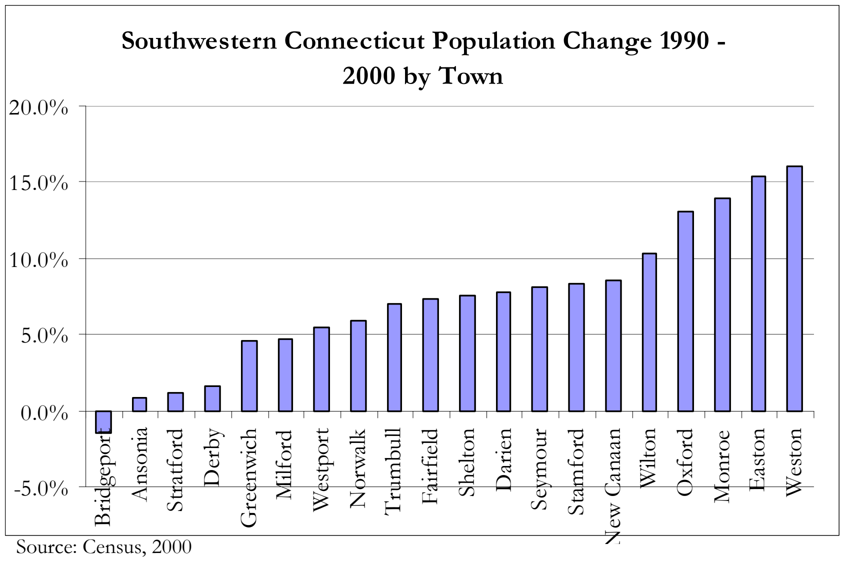
IV. A Profile of the Current and Future Workforce

General Demographic Data on Total and Working Age Population

Connecticut has the slowest growing population in New England,[12] and Southwestern Connecticut is consistent with the slow-growth pattern in the state. Between 1990 and 2000, the working age population (ages 16 – 64) increased only 0.5% (507,164 to 509,756). The entire population (all ages) increased 5.1% during the same period. Slower growth is predicted through 2010.

Reflecting the diversity of the region, there have been very different population patterns among the 20 towns (Figure IV-2). Easton, Monroe, Oxford, and Weston all saw population increases of over 12%; while Stratford, Ansonia, and Derby saw under 2% growth, and the City of Bridgeport lost 1.5% of its population between 1990 and 2000.

Figure IV-1



Source: Census, 2000

Labor Force Participation

Declining labor force participation rates between 1990 and 2000, particularly among males, contributed to a tightening of the labor supply in Southwest Connecticut. While the population age 16 and over increased slightly between 1990 and 2000 (by 1.3% or 8,030), the number participating in the labor force declined by 2.6% (10,779 people) (Table IV-1, and Appendix 3, Table A-3-2, for town level data). Thus, the decline in the labor force is attributable to a decline in labor force participation from 68.3% to 65.7%. Participation among males declined by 4.0%, less than the decline in the rate statewide, and declined among females by 1.4%, greater than the state rate. This pattern of declining male participation was more marked in Bridgeport, Stamford, and Derby.

If the 1990 labor force participation rate had remained constant in 2000, the 2.6% drop in the labor force would have turned around to a 1.3% increase, with a total of 16,283 additional people in the labor force. Almost three quarters of this difference is attributable to the decline in the male participation rate.

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[12] Hahn, Shirley, *Slow But Steady Economic Recovery Forecast for Connecticut*, New Haven Business Times, June 2002, p. 12.

Table IV-1 Change in Labor Force and in Labor Force Participation by Gender, 1990-2000

	Labor Force	Labor Force	Change in Labor Force, 1990-2000		Change in LF Participation 1990-2000	
Area	**1990**	**2000**	**#**	**%**	**M**	**F**
Bridgeport Area	*183,334*	*177,235*	*(6,099)*	*-3.3%*	*-4.3%*	*-0.1%*
Lower Naugatuck Valley Area	*49,767*	*51,303*	*1,536*	*3.1%*	*-3.0%*	*0.4%*
Stamford Area	*112,689*	*109,610*	*(3,079)*	*-2.7%*	*-3.5%*	*-3.2%*
Norwalk Area	*74,747*	*71,590*	*(3,157)*	*-4.2%*	*-4.6%*	*-3.2%*
SW CT Total	**420,537**	**409,738**	**(10,799)**	**-2.6%**	**-4.0%**	**-1.4%**
State	1,804,457	1,765,137	(39,320)	-2.2%	-4.4%	-0.5%
U.S.	125,182,378	138,820,935	13,638,557	10.9%	-3.7%	0.8%

Source: Census 1990, 2000

Growing Diversity

Connecticut remains less racially and ethnically diverse relative to the nation,[13] but the workforce is becoming increasingly diverse in Southwest Connecticut. This is a continuation of a trend identified over the past two decades.

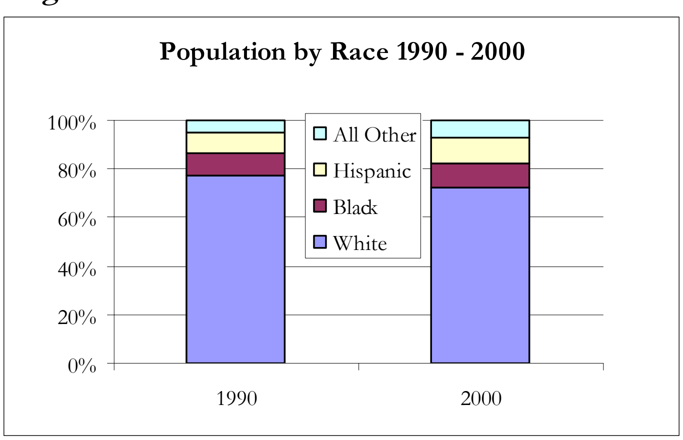
Table IV-2: Race and Ethnicity Percentage Distributions by Sub-Region (1990-00)

	Valley			Bridgeport			Norwalk			Stamford			**Southwest**		
	1990	2000	△	1990	2000	△	1990	2000	△	1990	2000	△	1990	2000	△
White, Non-Hispanic	93.9%	89.7%	-4.2%	74.1%	67.1%	-7.1%	82.2%	75.8%	-6.4%	80.6%	73.9%	-6.7%	79.5%	73.0%	-6.4%
African-American	2.6%	2.9%	0.3%	12.4%	14.0%	1.5%	9.9%	9.6%	-0.3%	10.3%	8.9%	-1.4%	10.3%	10.6%	0.3%
Other Race	1.8%	4.6%	2.8%	7.1%	11.9%	4.8%	3.9%	8.0%	4.1%	4.9%	10.9%	6.0%	5.4%	10.1%	4.8%
Sum (absolute value)			7.3%			13.4%			10.7%			14.1%			11.5%
Hispanic	2.5%	4.6%	2.1%	12.1%	14.6%	2.4%	6.5%	10.3%	3.8%	6.8%	11.2%	4.4%	8.7%	11.8%	3.1%
White, Hispanic	1.8%	2.8%	1.1%	6.3%	6.9%	0.6%	4.0%	9.9%	5.9%	4.2%	4.1%	-0.1%	4.8%	6.2%	1.4%

Key △ = Change in percent **Source:** Census 1990, 2000

This reflects both different groups growing at different rates and immigration of a diverse workforce to meet labor shortages. 16.5% of schoolchildren within the Southwestern Region speak a language other than English at home. The population classified by the Census as other than White Non-Hispanic in the Southwestern Region increased by 30% between 1990 and 2000; while the Hispanic population alone increased by 43%. By 2025, the Census Bureau projects that the percentage of the working age population in Connecticut that is African-American, Hispanic, or other minority will grow from 18% to 32%. They also project that 40% of Connecticut's children under 16 in 2025 will be African-American, Hispanic, or other minority.

Figure IV-2



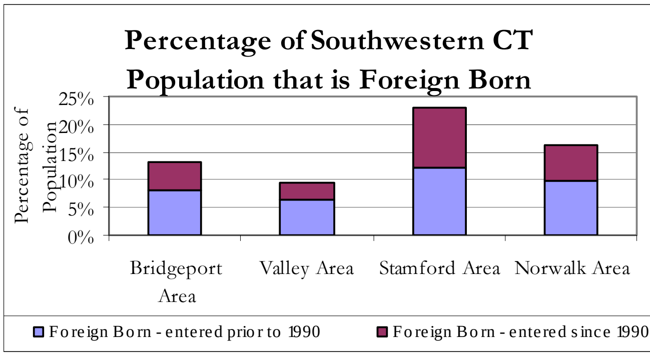
Source: Census, 2000

Percentage distributions across race and ethnicity shifted

[13] Ibid.

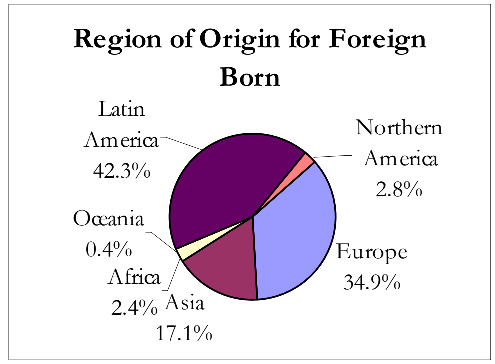
over 11 points between 1990 and 2000 (Table IV-1). Whites decreased 6.4 points. African Americans remained steady (+0.3) and all other groups increased: Other Races (+4.8); Hispanics of any race (+3.1); and Hispanic Whites (+1.4). Across sub-areas, the Valley was the most racially static (+7.3) and Stamford the most dynamic (+14.1) between 1990 and 2000 as measured against the 11.5 change in percent for the entire region.

Figure IV-3



Source: Census, 2000

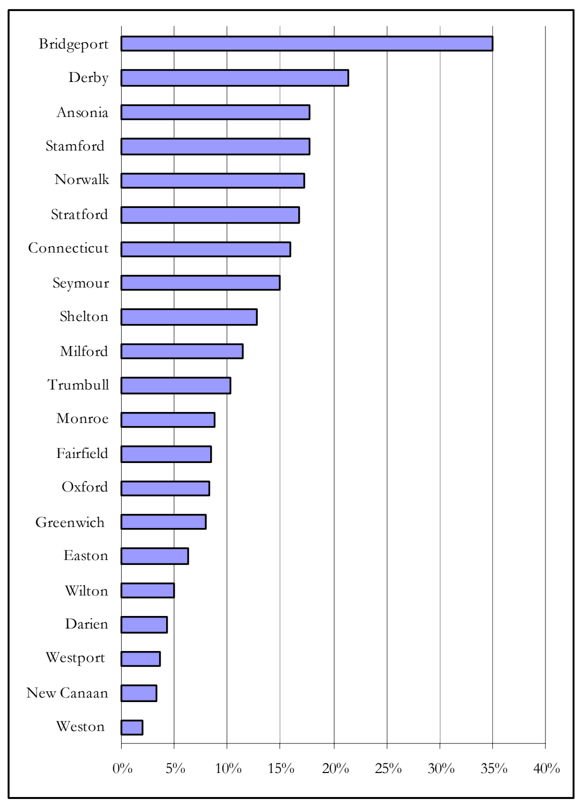
Figure IV-4



Source: Census, 2000

The region has seen substantial growth, particularly in Stamford, of the percentage of its population that is foreign born (Figure IV-5). Nearly 16% of the population of the entire region is foreign born. The rate is substantially higher in Stamford (23.1%), and substantially lower in the Valley (9.3%). Forty-two percent of residents who are foreign born have come to the region from Latin America (42.3%). 35% have come from Europe, 17% from Asia, 3% from Northern America, 2% from Africa, and .4% from Oceania. The Valley has both the smallest total percentage of foreign born residents as well as the smallest percentage that have immigrated since 1990, a recent Needs Assessment reports that the Valley is seeing a newer group of Bosnians choosing to live there, adding to other, more established European immigrant communities from Poland, Italy, and Ireland.[14]

Figure IV-6: % of Adults 25 Yrs+ without High School Diploma by Town



Source: Census, 2000

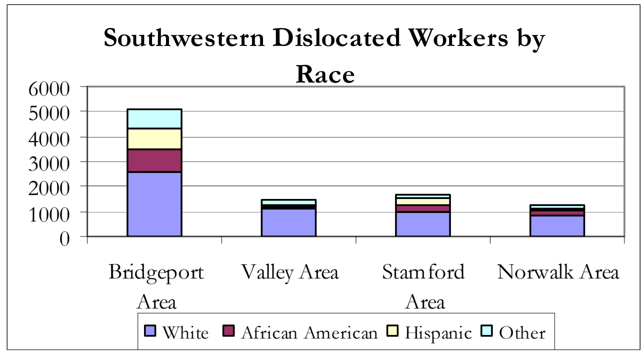
[14] *Valley Needs Assessment*, Mount Auburn Associates, (2002) Executive Summary.

Educational Attainment

The educational attainment of residents of the Southwestern Region varies between the four service areas. Bridgeport and the Valley have a higher percentage of their populations for whom an associate's degree or less was the highest level of educational attainment, while the Stamford and Norwalk areas have a larger percentage of their populations that have a bachelor's degree or graduate/professional degrees as their highest level of educational attainment.

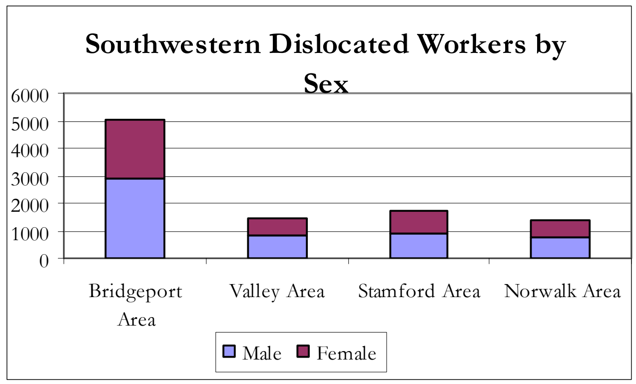
The percentage of adults age 25 and over that have a high school diploma, a key indicator of literacy skills, is much higher outside the urban areas of the region, with Bridgeport showing the highest proportion of adults without a diploma (Figure IV-6). Educators point out that the challenge is much greater if those ages 16-24 that lack a high school diploma are added to this number.

Figure IV-7



Source: The Connecticut Department of Labor, 2002

Figure IV-8



Source: The Connecticut Department of Labor, 2002

The following sections analyze specific populations of particular interest to the workforce development system.

Dislocated Workers

The recent turn in the economy dislocated many workers that are still struggling to find work. The Department of Labor estimated that nearly 9,000 workers were dislocated in the Southwestern Region in March 2002. A large majority of those Dislocated Workers are located in the Bridgeport service area. 56% of those dislocated have been White (compared to 62% in the State of Connecticut as a whole), 16% are African American (compared to 11% in the State), 14% are Hispanic (compared to 10% in the State), and 14% identify themselves as some other race (compared to 16% in the State).

Dislocated Workers in the Southwestern Region are also more likely to be men. 56% of Dislocated Workers are male (compared to 60% in the State of Connecticut as a whole), and 44% of Dislocated Workers are female (compared to 40% in the State).

The majority of workers that have been dislocated in Connecticut have come from the Services and Manufacturing industries (Figure IV-9) suggesting a need for retraining to meet rising skill requirements. 30% of workers who dislocated reported last working in the Services industry, and 22% report that they last worked in the Manufacturing industry. Other industries with 5% or more of dislocated workers include Construction (15%), Retail

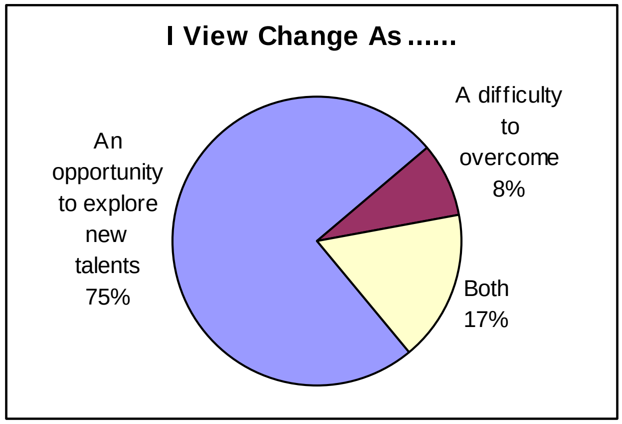
Trade (12%), and FIRE (5%).

Over half of the region's dislocated workers had received unemployment insurance (UI) benefits for fifteen weeks or more. Approximately 12 percent had exhausted their UI benefits.

Through a survey conducted with the cooperation of the Connecticut Department of Labor,[15] and a focus group of Dislocated Workers, we have learned that of Dislocated Workers using the CTWorks Centers:

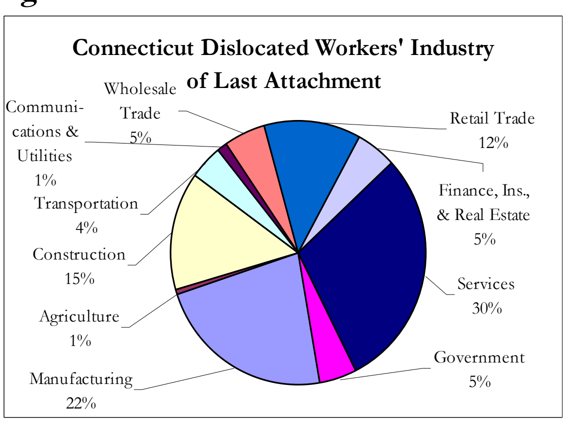
- They come from diverse, predominantly professional backgrounds (Figure IV-13)
- Many report that the current weak economy is a barrier keeping them from employment.
- Many cite their lack of skills or education as barriers to their re-employment.
- Several identify their desire to change careers as their motivation for pursuing employment and training services.
- Several identify the need to have improved skills to continue in their current line of work as their motivation for pursuing employment and training services.
- 75% view change as "An opportunity to explore new talents" rather than "A difficulty to overcome" (Figure IV-14).
- Most rely on Networking, the Internet, Newspaper Classified Ads, and Headhunters in their pursuit of career and job search information.
- Most report that when they were in school, they found it to be "an exciting opportunity" rather than "an unpleasant necessity."
- Many report the desire to

Figure IV-10



Source: Survey of Dislocated Workers, 2002

Figure IV-9



Source: The Connecticut Department of Labor, 2002

[15] 24 Dislocated Workers responded to a short survey they were asked to complete as a part of their participation in the Department of Labor's Orientation for "Profiled" recipients of Unemployment Compensation. The survey was distributed during three different Orientations over three weeks. "Profiled" workers were laid off from a job classification that they are unlikely to find employment in again, and therefore are likely to remain unemployed for a long period of time (6 months or more).

have a bachelor's degree when asked what they would change about their educational history, and many Dislocated Workers report the desire to have obtained advanced degrees (Master's, Ph.D., Medical Degrees).

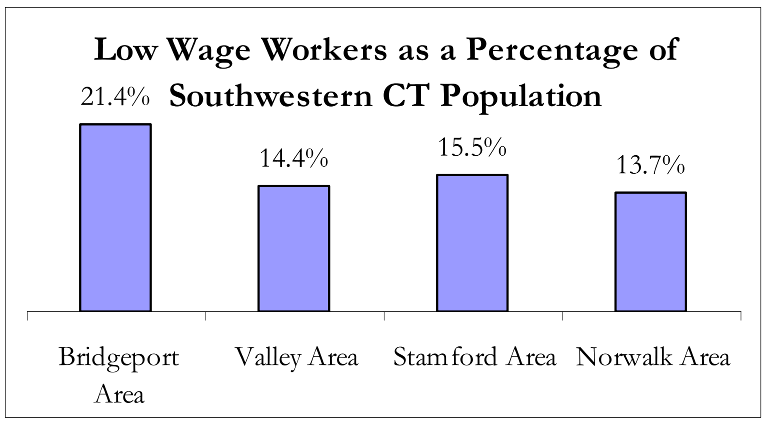
- Many identify a specific career goal when asked what their "long term goals" are; some report an educational goal, or the pursuit of continuing education, as their long-term goal.

Separately, employers report that their perception is that Dislocated Workers are in need of skills training and that in many cases workers are dislocated because their function is obsolete and they have not upgraded their skills to meet the changes "coming around the corner."

Low-wage Workers

The WorkPlace, Inc. currently is focused on low-wage workers. Households that earn less than two times the poverty level are considered low-wage workers. For a family of four, this is equivalent to one person working full-time at $17.60 an hour. Even though the region has the fourth highest per capita income in the country[16], there are 140,203 individuals living in low-wage households in Southwestern Connecticut according to the 2000 Census, which is equivalent to 17.7% of the region's population. Characteristics of low-wage workers include:

Figure IV-11



Source: The United States Census, 2000

- Most low-wage workers do not have a high school diploma.
- More than half of low-wage workers are female. Most are younger and have young children.
- Most work in jobs in the Service Industry – particularly in the retail sector, which is projected to grow at 17% through 2008.

A new task force has been created by the WorkPlace, Inc. to address the needs of this population. The task force includes subcommittees to 1) develop a profile of low-wage workers in Southwestern Connecticut and 2) explore local business practices and best practices in creating career ladders and other measures to support income and asset growth among low-wage workers in the region.

Out-Of-School Youth

Five towns in the Southwestern Region have a higher cumulative dropout rate than the State of Connecticut as a whole, and five towns report a drop out rate of zero (see figure

[16] According to the 2000 U.S. Census only the counties of: (1) New York, New York, (2) Marin, California, and (3) Pitkin, Colorado, have higher per capita incomes than Fairfield County, Connecticut, with a per capita income of $ 53,474.

IV-12)[17] Over 900 youth dropped out-of-school in the 2000-2001 school year across the region, presenting a major challenge to both the educational system and the workforce development system. Youth that drop out will earn $200,000 less than a high school graduate over the course of their lifetime, make up half of the households on welfare, and make up half of the prison population.[18]

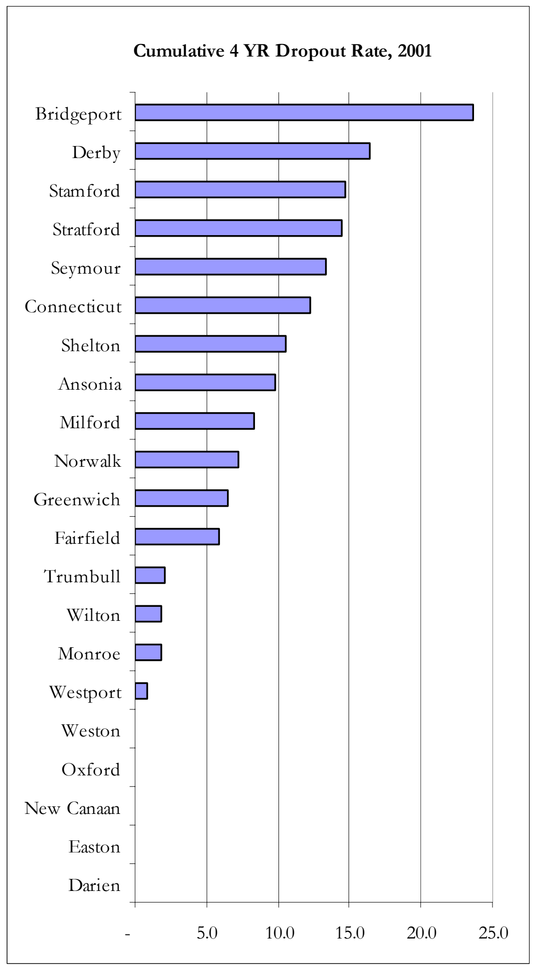
In a related indicator, the Southwestern Region has the second highest number of teen pregnancies in the State of Connecticut, totaling 776 in 1998. A recent study shows that 50% of teenage mothers drop out-of-school when they have a child, and only 61% of all teen mothers receive a GED or finish high school before they are 30.[19] Teen mothers also have a dramatically reduced earning potential, and are much more likely to be on public assistance.

Services to intervene with out-of-school youth are necessary to (1) try to remedy their poor earning potential; (2) provide a way to break the family history of poor achievement and poverty and improve the long-term prospects for the next generation.

Very few potentially eligible out-of-school youth in Connecticut access WIA youth programming. A recent report to the Connecticut Employment and Training Commission identified the following problems out-of-school youth experience utilizing services available to them through the WIA system:[20]

- In all regions in Connecticut low utilization rates of WIA youth services are a function of the amount of available funds for youth. Youth Council services do not have the resources to provide services to all youth that are entitled.
- Because non-WIA youth service providers are unaware of WIA-funded youth services, linkages are lacking between WIA and other youth services working to address the educational and employability needs of youth.

Figure IV-12



Source: Connecticut Strategic School Profiles, 2002

[17] The cumulative drop out rate measures the total number of students that drop out from a particular class from the time they enter school until the time of their would-be graduation date, as opposed to the number of students that drop out during any given year.
[18] Schwartz, Wendy, *New Information on Youth Who Drop Out: Why They Leave and What Happens to Them*, ERIC Clearinghouse on Urban Education Digest, 1995
[19] Ibid.
[20] Ibid. p. 1

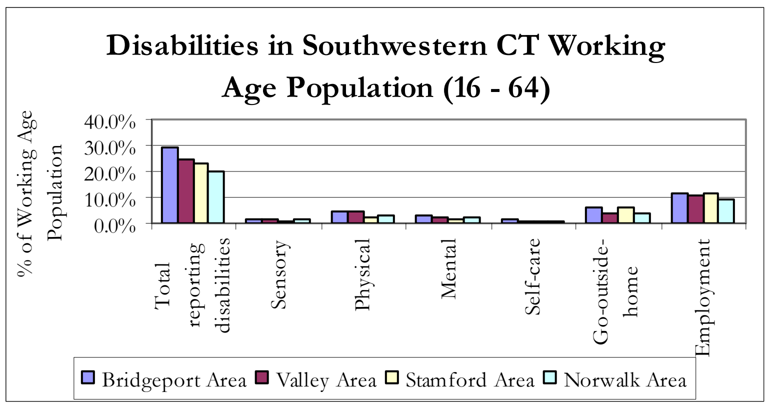
- Out-of-school youth have multiple challenges to learning and employment and strain the service delivery system as complicated and expensive to serve.
- Youth who have "dropped out" provide challenges in outreach and recruitment: they are difficult to find and difficult to convince to come in for service and help.

People with Disabilities

Persons with disabilities represent a key underserved group under the Workforce Investment Act. Given the range of physical, developmental, emotional and mental disabilities facing many residents of Southwestern Connecticut and the looming shortage of workers in the region, there is an urgent need to understand the barriers they face in finding meaningful employment and to identify potential solutions for overcoming these barriers.

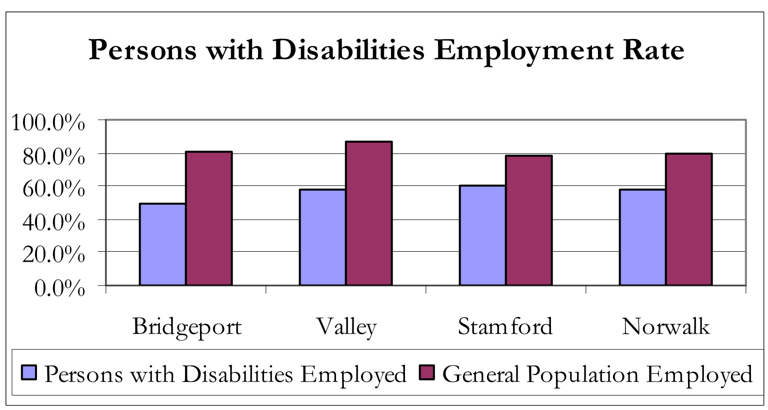
One quarter of the working age population in Southwestern Connecticut report that they have a disability. The four service areas have significant differences in the percentage of their populations that report disabilities. The Bridgeport Area reports a higher proportion of persons with disabilities than the rest of the region (29%). The Valley Area (25%) and Stamford Area (23%) have roughly the same percentage of persons with disabilities than the rest of the region, and Norwalk (20%) reports fewer individuals with disabilities than the region as a whole. Approximately 10% of the region reports that they have a disability that "prevents them from working or limits the kind or amount of work they can do." (noted in Figure IV-13 as "employment"). Between 6% and 4% of the region reports that they have a disability that prevents the individual from going outside alone, and between 2% and 4% report that they have physical disabilities, mental disabilities, sensory disabilities, and disabilities that prevent the individual from being able to care for themselves.

Figure IV-13



Source: United States Census, 2000

Figure IV-14



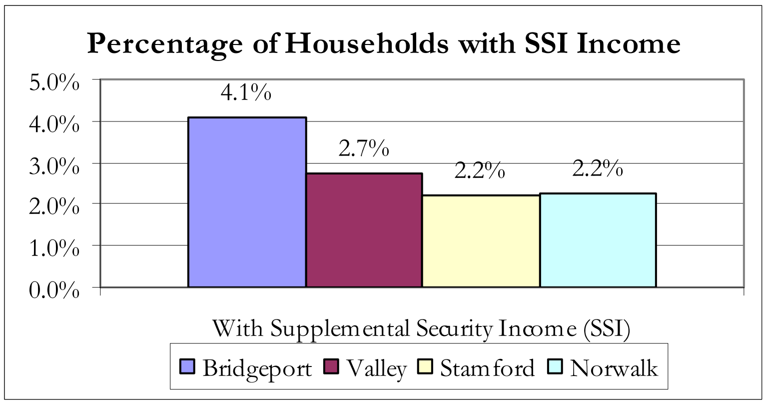
Source: United States Census, 2000

Working-age persons with disabilities have a markedly lower rate of employment than the general population. Between 50% (Bridgeport) and 61% (Stamford) of persons with disabilities report being employed, compared to between 77% (in Stamford) and 86% (in the Valley) of residents in the general population.

Supplemental Security Income

Supplemental Security Income (SSI) is a Federal income supplement program funded by general tax revenues to help aged, blind, and disabled people, who have little or no income by providing cash to meet basic needs for food, clothing, and shelter needs. The United States has seen dramatic growth of individuals relying on SSI thereby withdrawing from the labor force. The number of individuals nationwide drawing their income from SSI has nearly doubled (from 3 million to 5.42 million) between 1990 and 2000.[21] Along with Social Security Disability Insurance, SSI now accounts for five percent of the Federal budget,[22] which is more than is spent on food stamps or unemployment insurance. There has been a marked increase in the number of working age individuals as a percentage of SSI recipients, and a marked decrease in the number of individuals who are aged.[23] This trend is camouflaging joblessness, as millions, particularly men, are unable to find work that pays what they once earned as blue-collar employees, and have thus decided to rely on income provided through SSI.[24] This trend is not explained by higher injury rates or individuals defrauding the system, but rather from individuals that once were able to find work in spite of their injuries and had ignored their ailments as long as their limited skill set could keep them employed.[25] This trend is likely to continue as the baby boomers reach an age of increased likelihood of disability,[26] making this population an emerging and important one for the Southwestern region to consider in workforce development planning.

Figure IV-15



Source: Census, 2000

Two and a half percent of the working age population in the United States draws income from SSI. The Valley Area (2.7%); Stamford Area (2.2%); and Norwalk Area (2.2%) all are consistent with the national average. The Bridgeport Area, where 4.1% of the working age population draws SSI income, has significantly more individuals with SSI income than the national average.

The WorkPlace, Inc., working with its Task Force on Persons with Disabilities has begun to gather resources with which to address the gap between the 583 disabled jobseekers served in 2001, and the estimated 1,544 individuals with disabilities in Southwestern Connecticut that are looking for work. The WorkPlace, Inc. has secured one of 23 national grants from the U.S. Department of Labor, receiving $909,000 to expand

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21 Uchitelle, Louis, *Laid-Off Workers Swelling the Cost of Disability Pay*, The New York Times, September 2, 2002.
22 Daub, Hal, Chairman, Social Security Advisory Board *Reforming the Disability Insurance and Supplemental Security Income Disability Programs* (2002).
23 Department of Health and Human Services *Indicators of Welfare Dependence; Annual Report to Congress* (2002) Appendix A.
24 Leonhardt, David, *Out of a Job and No Longer Looking*, The New York Times, September 29, 2002.
25 Uchitelle (2002)
26 Daub, (2002)

employment services for people with disabilities at the three CTWorks Centers in Ansonia, Bridgeport, and Stamford.

Other Populations Requiring Workforce Investments

A number of other special populations require workforce investment services tailored to their individual needs to address particular barriers to employment. Persons receiving Temporary Family Assistance (TFA) from the state number 3,423 in the region. As part of the Community Audit process, the consultants prepared a detailed analysis of the needs of the TFA population entitled *A Close Look At Welfare to Work: A Needs Assessment of Southwestern Connecticut's Temporary Family Assistance Population* (February 2002), which concluded that:

- Childcare and Low Educational Attainment are the most common barriers to employment for TFA clients. 49% of TFA clients experience three or more barriers to employment, and 76% of Non-English speaking TFA clients experience three or more barriers to employment.
- Only 19% of TFA clients are functioning at a high school level in math. 51% are functioning below a 7th grade level in math, correspondingly, only 6% of TFA clients surpass the Connecticut Competency System (CCS) threshold to be eligible for Workforce Investment Act training services.
- A significant gap exists between educational attainment reported by TFA clients and their skill levels as measured by Connecticut Competency System scores.
- 94% of TFA clients are dependent on public transportation, and 2,499 TFA clients utilize public transportation quarterly.
- 67% (600) of TFA clients needed assistance in arranging for childcare, and 40% (364) needed assistance in completing the Childcare Assistance Program (Kid Care) application.
- While Transportation and Childcare continue to have the largest need and highest utilization rates, TFA clients require assistance and utilize services for several other significant barriers, most notably housing, substance abuse treatment, and mental health services.

Other groups that may require attention (see Table IV-3) include:

Table IV-3
Populations with Special Needs, Southwest CT

	1997-1998	2001-2002	% Change
Total Population	771,300	807,789	5%
SAGA Cases - Medical	3,340	3,351	0%
Active Mental Retardation Clients	2,453	2,469	1%
Alcohol & Drug Abusers Served	6,370	6,681	5%
Probationers	10,664	12,373	16%

Source: CT Department of Labor, Planning Guides, 2000, 2002

- <u>SAGA</u> (State Administered General Assistance) clients. The City of Bridgeport reported 49 percent of the SAGA cases in the region, totaling nearly 1,650 individuals.

- <u>Active Mental Retardation Clients</u> The Southwestern Region has 2,469, which comprises 16.9 percent of the State caseload.

- Alcohol & Drug Abusers The Southwestern Region is home to 17.6 percent of the State's 38,060 identified alcohol and drug abuse clients.
- Probationers The Southwestern Region, home to 22.1 percent of Connecticut's total of 55,889, has seen a 16% growth in this population between 1998 and 2002.

As the number of persons potentially needing workforce development services far exceeds the available resources, The WorkPlace, Inc. must work with the community to establish priorities for investing scarce resources across these many groups, expand the awareness of all stakeholders to these pressing community needs, and tap new resources to address these workforce challenges.

V. Current and Needed Employee Skill Profiles

Educational Requirements for Southwestern Job Openings

Discussions with employers during this study suggest that the Workforce Investment System must continue its dual focus of (1) supplying workers with basic skills to fill the need for workers in positions that require just short-term on-the-job training, and (2) upgrading workers skills to fill the growing need for workers with some college education or specialized training.

During the focus groups and open meetings, government and business professionals provided feedback that, even after workforce training, the desired results are still elusive: "trained" employees often still lack basic skills or are otherwise not able to meet employers' expectations. With the current unemployment rate still relatively high by recent experience (3.5-4%), it is more difficult to convince businesses to invest in their own workers, leaving the burden on the Workforce Investment System.

Skill requirements of the industry clusters that will drive growth in the Southwest vary only in degree across the four areas of the region. The career cluster skill profiles developed for the School-to-Career program by CBIA defined a core of academic and employability skills across all career clusters and specific skills standards for each cluster.[27] While it was beyond the scope of this study to define detailed skill requirements of industry clusters in the Southwest, the theme emerging from the interviews, focus groups, and data is that the education and workforce system and the aspiring applicants need to focus attention on the development of these core academic and employability skills required for success in a changing workplace. This effort would meet the specific skill requirements for the majority of the job openings projected over the next eight years. The basic skill requirements across all clusters have been rising as technology pervades the workplace and companies adopt flatter organizational structures resulting in a need for more flexible and highly trained workers who can think critically, act independently, and work in teams.

Beyond these core skills, the technical skills most often cited as in short supply were in the areas of information technology and certain areas of health care, especially nursing. The WorkPlace, Inc. should focus on ensuring that the education and training system is responsive and adaptable to changing specific technical skill requirements of employers through the promotion and facilitation of regular communication and new skill-building partnerships. New, web based tools are available to educators and employers for assessing occupation-specific and individual skills.[28] The system needs continually to refine its mechanisms for identifying and meeting these emerging needs.

The large majority of projected job openings to 2008 (67%) will not require college level education, with 44% only requiring short-term on-the-job training (Table V-1). However, the trend is toward increasing importance of college degrees--among new jobs created, 53% (vs. 33% for all openings) will require post-secondary degrees.

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[27] The CBIA/State project published detailed Industry Skill Standards for entry level workers, including "Core Academic and Employability Skill Requirements for All Eight Clusters" and specific guides for each of the eight School-to-=Career Career Clusters (available at http://www.state.ct.us/sde/deps/Ctlearns/resources/index.htm)

[28] The federally-funded O-Net system analyzes worker attributes and job characteristics for all U.S. occupations (See O-Net web site for more detail: http://www.onetcenter.org/overview.html)

In the Annual Survey of Employers conducted by the Connecticut Business and Industry Association, employers report a greater need for qualified workers in entry-level positions than for any other type of employee (see sidebar). Employers in Southwestern Connecticut find the squeeze on entry-level workers to be even more intense, as housing costs prevent migration by entry-level workers into the region to fill these positions, and limited public transportation options also prevent entry-level workers from commuting readily into the region.[29] The TANF service providers also noted this pressure and lack of transportation access during their focus group.

Employers Need for Qualified Workers

When asked "What types of positions are you finding most difficult to fill with qualified individuals?" Connecticut employers responded:

Type of Employee	1st choice	2nd choice
Entry-level	25.3%	17.3%
Skilled machinists/other manufacturing	22.1%	12.1%
Sales	9.0%	8.1%
Administrative/clerical	7.1%	12.6%
Engineers	6.6%	8.1%
Customer service	5.2%	12.7%
Management	5.0%	7.4%
Accounting and finance	3.1%	5.0%
Information systems	3.0%	6.7%
Marketing	1.9%	3.0%
Other	11.6%	6.8%

Source: CBIA Membership Survey 2001

Table V-1
Job Openings by Education or Training Required, Southwest CT, 1998-2008

Required Education/Training	Jobs by Required Education/Training		Annual Openings by required Education/Training			
	1998	2008	Growth	Percent of Growth	Total	Percent of Total
Requires No College Level Training:				***46.8%***		***66.7%***
Short-term on-the-job-training	144,369	156,851	1,251	33.3%	5,415	44.3%
Moderate-term on-the-job training	44,516	46,368	182	4.8%	1,183	9.7%
Long-term on-the-job training	18,811	20,057	127	3.4%	563	4.6%
Work exp in a related occupation	19,207	20,314	110	2.9%	596	4.9%
Postsecondary vocational training	13,344	14,212	87	2.3%	397	3.2%
Requires College Level Training:				***53.2%***		***33.3%***
Work exp plus degree	37,478	42,373	488	13.0%	1,143	9.3%
Associate degree	12,810	16,376	357	9.5%	577	4.7%
Bachelor's degree	51,467	61,549	1,012	27.0%	2,061	16.9%
First Professional degree	7,204	8,235	103	2.7%	211	1.7%
Master's degree	2,601	2,970	37	1.0%	84	0.7%
Total	**351,807**	**389,305**	**3,754**	**100.0%**	**12,230**	**100.0%**

Employer's Identify Skills Shortages

CBIA's Survey also showed that 30% of employers cited the highly skilled workforce as Connecticut's greatest asset as a business location, ranking second behind "location between NYC and Boston."[30] At the same time, 15% of employers responded that the

[29] Flinn, Ryan, *Region Lies at a Crossroads*, The Hour, June 12, 2002, page A8.
[30] Connecticut Business and Industry Association, *2001 Annual Membership Survey Results* (2002).

shortage of qualified workers was the most important problem facing Connecticut businesses, ranking third behind the cost of doing business in Connecticut and taxes. Higher unemployment has relieved the shortage somewhat -- in the 2000 survey, 26% of employers responded that the shortage of qualified workers was the most important problem.

Technology Skills

Employers have predicted that technology-based industries and other sectors heavily reliant on technology will be the largest economic engine in the State of Connecticut. Because few industries have workers with transferable skills to technology-intensive jobs, the need to train and develop a workforce to fill these jobs is critical. In 2001, 41% of employers in Connecticut agreed with the statement "I think that Connecticut education and training institutions are meeting my business needs for technology workers."[31] This compares favorably with 32% in 2000, but shows that the employment and training institutions have room for improvement in providing Connecticut employers with employees that are prepared to function in the technological workplace.

The Connecticut Office for Workforce Competitiveness commissioned a study of the need for Information Technology (IT) workers and related training programs that identified Connecticut's strengths and weaknesses in this area (the "Battelle Report").[32] 3.8% of the Connecticut workforce is in IT occupations compared to 3% nationally. The Battelle Report identified the challenges of training delivery, continual skill upgrading, employee retention, planning for future workforce needs, and simply generating sufficient numbers of trained IT workers today at a time when IT graduates from Connecticut institutions dropped significantly in the 1990's. The report cited the challenge to improve technology education from the K-12 level through the university to meet the challenge.

During focus groups, employers and government workers indicated that technology-training programs exist in the region, but need to be made more extensive and accessible. For example, this can be done by offering programming at a person's place of employment or having training available that can be conducted over the Internet. This will require development of additional training capacity in technology. There are two levels of technology skills needed by employers:

- Basic knowledge and ability to operate standard office computers, and
- Skills required to develop, operate, and repair computers and information networks.

The first need requires a broad effort to ensure that all students emerging from the K-12 system have basic computer literacy and that programs for adult training reach a far wider number of people. There may be an expanded role for the Adult Education and Community College systems in this effort. Expanding the second group is the subject of the comprehensive, strategic plan for IT workforce development recommended in the Battelle report.

[31] Ibid.
[32] Battelle Corporation, "An Information Technology Workforce Strategy for the State of Connecticut," January 2001 (Draft), Part I and Part II. Available at http://products.cerc.com/cerc/cerc.nsf/pages/itdraft?Opendocuments&S28

Basic Skills Shortages

Employers continue to report the need for workers that have basic skills to fill entry-level jobs. Literacy problems cost corporate America about $60 billion in lost productivity, according to the National Institute of Literacy. [33] The American Management Association defines workplace literacy as "the ability to read instructions, write reports, and/or do arithmetic at a level adequate to perform common workplace tasks." Yet a national study in 2000 revealed that only 13% of companies offer remedial training to employees in literacy and math, down from 24% in 1993. This, despite evidence that investment in literacy pays off; for example, an Ohio firm saw profit per worker jump from $1,400 to $7,500 after a 12-week job-specific literacy training course. [34]

In Massachusetts, MASSINC, a labor market think tank, recommends a new, higher literacy standard which reflects the more complex tasks workers are asked to perform and expands the number of those defined as needing intervention significantly. A MASSINC study found that more than half of at-risk workers who are high school graduates lack basic math, reading, writing, language, and analytic skills at the level considered acceptable for the typical 21st century workplace. They estimate that as many as one-third of the state's workforce are "ill equipped to meet the demands of the state's rapidly changing economy." [35]

This lack of skills to enter even entry-level jobs prevents un- and underemployed low-income workers from benefiting from the boom in the economy and explains some of the growing gap between middle-income and poor households in the region. This basic skills gap is particularly problematic for those remaining on TANF, many of whom test below ninth grade levels in math (81%) and reading (32%) and with low English proficiency.[36]

Employers emphasize that basic skills are critical to success, citing these problems:

- Collaboration is lacking between educators and employers to ensure that the education being provided meets the needs of the region's employers.
- Too many youth and adults do not know what to do and what to wear when seeking a job, and often present themselves poorly.
- Employees must learn customer service skills that apply to both "internal" and "external" customers.
- Employees at all levels must continue to upgrade skills as the structure and technology of the company changes.

Data presented in the next section on outcomes of the K-12 education system explains one source of the basic skills gap—the failure of children to acquire these basic skills in their schools and the related high rate of school dropouts, particularly in the cities of the region.

An alliance of business, education, and workforce development forces is required to address this persistent basic skills gap, which is becoming more serious as the skill requirements of a larger proportion of jobs escalate.

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[33] Baynton, Dannah, "America's $60 Billion Problem," Training Magazine, v. 38 no. 5 p. 51
[34] ibid
[35] MASSINC, "New Skills for a New Economy: Adult Education's Key Role in Sustaining Economic Growth and Expanding Opportunity," December 2001.
[36] See "A Close Look at Welfare to Work: A Needs Assessment of Southwestern Connecticut's Temporary Family Assistance Population," prepared for The WorkPlace, Inc., February 2002, Holt, Wexler & Farnam, LLP

VI. Current State of Training and Employment Infrastructures

This section discusses the education and employment "pathways" available to individuals in Southwestern Connecticut and highlights issues emerging since the previous analyses in 1997 and 1999. The following pathways are discussed in turn below:

- Education - *educational readiness, K-12, adult education, and higher education.*
- Training Opportunities - *education-related work-based experiences, skilled trades, employment and training programs, on-the-job-training (OJT), and professional development.*
- Job Placement - *self-initiated, career placement offices, and private sector firms.*

System Goals

Each component of the workforce and education systems has its own mission and goals. Through its Five-Year Workforce Development Plans, The WorkPlace, Inc. is working to focus and expand the work of each component while creating stronger connections between all parts of the system and employers. The overarching objective is to build the skills of the entire workforce in order to both enable all households to achieve a living wage and to provide employers with the skilled workforce they require to succeed in the marketplace. In raising and using public and philanthropic funds, The WorkPlace, Inc. must balance its work between building a universal workforce development system and focusing on addressing the pressing needs of the various groups of workers with barriers to employment. These unemployed and underemployed individuals desire to fulfill their own personal income and life goals and also, in labor market terms, represent underutilized human resources.

For low-wage workers in the region, this goal translates into providing career counseling, education, and training opportunities that lead to jobs that can sustain families at self-sufficient wages. An individual in the Southwestern region must earn at least $17.40 an hour for a family of four to surpass the low-wage worker designation, which is not possible without advanced training or experience in a related occupation. Positions that can be obtained with on-the-job training only earn an average of between $9 and $15 an hour (Table VI-1). Education and training is the key for workers to be able to earn wages that will promote their level of self-sufficiency. Each component of the workforce development system is addressed in turn.

Table VI-1: Average Hourly Wage by Education or Training Required for Position

Required Education/Training	Annual Openings	Average Hourly Wage
Short-term on-the-job-training	5,415	$9
Moderate-term on-the-job training	1,183	$15
Long-term on-the-job training	563	$14
Work exp in a related occupation	596	$24
Postsecondary vocational training	397	$27
Work exp plus degree	1,143	$29
Associate degree	577	$21
Bachelor's degree	2,061	$28
First Professional degree	211	$21
Master's degree	84	$23

Source: The Connecticut Department of Labor, 2001

The Education Infrastructure

In this economy, there are high returns to investments in education. The gap between wages paid to high school dropouts and graduates and those with college degrees has been widening. In the time when manufacturing jobs provided a career ladder, literacy was less important. Literacy proficiency is becoming a basic requirement of most jobs. There is also a high return to post-secondary education.

Compared to other states, Connecticut still ranks favorably across a number of educational benchmarks. Yet 55% percent of Connecticut employers report that they felt that Connecticut's educational institutions were not producing a sufficient number of graduates to meet their workforce needs.[37] Fifty-seven percent of employers report that these graduates do not have the necessary skills to meet their company's needs.[38]

Each year, the public sector and households together invest over $1.4 billion in the K-16 education system in Southwestern Connecticut. This does not account for costs of day-care and/or pre-school education for the estimated 58,000+ children ages 0-4.

Although significant efforts have been made to reach out to employers in recent years, many express concerns about a "disconnect" between the economy (i.e., employers) and the education system. A systematic effort to build these connections needs to be sustained over the long term, building on the experience gained through the School to Career program on efforts to link schools and the workplace.

K-12 Educational System

The public K-12 education system in Southwestern Connecticut serves 123,460 students. Data from the Strategic School Profiles depict a stark division between the upper income suburban districts and the urban districts on a number of dimensions (see Appendix 3). The region has a wide variation in levels in educational spending. Five of the top 10 districts statewide in terms of spending per pupil at the elementary and middle school level are in the region (all in the Norwalk or Stamford areas) while three of the twelve lowest expenditures per pupil at the elementary and middle school level are located in the Valley.

Within the urban districts (serving 41% of the students), there is a further division between Bridgeport on the one hand and Stamford and Norwalk on the other.

Table VI-2
Percent of Students Scoring Above State Goal on Mastery Tests, Urban Districts

CMT Grade 4: % of Students Above State Goal in Reading

	1995-96	2000-01	Change
Ansonia	42%	44%	2%
Bridgeport	16%	21%	5%
Norwalk	43%	48%	5%
Stamford	40%	53%	13%
Connecticut	48%	57%	9%

CMT Grade 8: % of Students Above State Goal in Reading

	1995-96	2000-01	Change
Ansonia	66%	55%	-11%
Bridgeport	27%	30%	3%
Norwalk	41%	59%	18%
Stamford	43%	57%	14%
Connecticut	59%	66%	8%

[37] Connecticut Business and Industry Association, *2001 Annual Membership Survey Results* (2002).
[38] Ibid.

Comparing Connecticut Mastery Test results for 4th and 8th grade reading from 1995-96 and 2000-01 in four urban districts reveals a gap between Bridgeport and the others that has persisted and in fact widened considerably over the period at the 8th grade level. A child entering 8th grade with this level of academic performance faces a major challenge in acquiring the basic skills that employers seek. Appendix 5 has a chart showing the percent scoring above goal by district for the region in 2000-01. The range is dramatic.

These urban districts also show gaping disparities by race as evidenced in the 10th grade Connecticut Academic Performance Test (CAPT) scores. The percentage of students reaching state goal in math in Norwalk was 10% for African Americans vs. 52% for Whites (see Table VI-3).[39]

Table VI-3

Percentage of Students Meeting State Goals in CAP Test by Race/Ethnicity, 2001

	White	Black	Hispanic
Stamford			
Math	52	5	19
Reading	46	5	8
Writing	50	9	8
Norwalk			
Math	56	10	19
Reading	46	6	18
Writing	48	15	18
Bridgeport			
Math	30	10	9
Reading	41	13	12
Writing	37	16	13
Source: CT Department of Education, 2002			

As these achievement gaps are symptomatic of larger societal disparities and system failures, they do not lend themselves to simple remedies. Solutions addressing the fundamental causes of these patterns will require a broad social commitment.[40]

School-to-Career. The two goals of the State of Connecticut's School to Career (STC) program have been (1) to improve student performance and (2) to help students make wise post-secondary decisions. STC was promoted as a school reform initiative, not merely a vocational program, but few districts or schools embraced this comprehensive vision. A number of promising programs were begun and connections fostered between school and the workplace. With the ending of federal funding for School-to-Career implementation, the challenge will be to sustain the effective programs begun with those funds. The more urban districts of Stratford, Norwalk, Stamford, and Bridgeport have been more open to embracing School to Career principles. Bassick High School in Bridgeport embraced School to Career as a whole school reform model with very positive results.

A recent evaluation report found a rich diversity of approaches around the state with over 7,500 partnerships with businesses and community organizations. The evaluators stressed the importance of the STC Coordinator role in building and sustaining the three core STC components: school-based, work-based, and connecting activities.[41] Unfortunately, with less funding many districts have cut these positions, increasing the

[39] See "Test Scores Reveal Large Gap in Achievement," Stamford Advocate, February 3, 2002, p. A-1.
[40] SACIA, The Business Council of Southwest Connecticut, has launched an effort to close the achievement gap in the schools. A first step was publication of a resource book for business and community leaders, "Achievement Gaps in Our Schools: Realities and Remedies," July 2002.
[41] Abt Associates Inc., "Providing Opportunities for All Students: Findings from a Process Evaluation of Connecticut's School-to-Career System," October 2001, prepared for the Connecticut State Department of Education.

challenge to sustaining effective practices and a strong business voice in the schools.

The WorkPlace, Inc. can play a role in outreach to business to gain their support for the growth and improvement of proven practices that instill career orientation and help students acquire the full range of workplace skills required for success.

State Vocational - Technical School System

In focus groups, employers noted the important role that the region's Vocational-Technical Schools can play in preparing the workforce. The largest secondary school system in the state, the Vocational-Technical Schools provide training in many technical areas. The Vocational-Technical Schools in the Southwestern Region have programming to train individuals to enter:

- Professional, Paraprofessional, and Technical Professions (12 Programs), which will constitute 26% of all openings;
- Service Occupations (15 Programs), which will constitute 18% of all openings;
- Precision Production, Craft, and Repair Occupations (16 Programs), which will constitute 7% of all openings;
- Operators, Fabricators, and Laborers (16 Programs), which will constitute 9% of all openings.

See Appendix 4 for a list of programs offered by the region's Vocational and Technical Schools, broken down by occupational category.

Table VI-4
Graduates by Trade, Vocational-Technical High Schools, Southwest Region, 2001

Graduates	Number	% change from 1995-1996
Culinary Arts	49	32%
Cosmetology	43	-26%
Plumbing and Heating	39	3%
Carpentry	37	19%
Microcomputer Software Technician	30	
Manufacturing Technology	30	100%
Electronics	30	-29%
Automotive Mechanic	29	0%
Electrical	28	-40%
Drafting (Mach)	24	14%
Heating/Ventilation/AC	22	47%
Graphic Communications	21	11%
Auto body Repair	18	125%
Baking	15	15%
Drafting (Arch)	15	15%
Electromechanical	15	15%
Fashion Tech	11	10%
Masonry	8	0%
Painting/Decorating	6	0%
Hotel/Hospitality Technology	4	
Total	474	10%

New resources invested in the state's four Vocational - Technical high schools in the Southwestern Region are beginning to show some results. Collaborative relationships with local organizations and employers continue to provide job shadowing, internship, mentoring and work-study opportunities. Wright Tech in Stamford is a leader in use of "The "Digital Classroom," a model of instruction where instructors become facilitators or guides for students using computers and the Internet to facilitate learning in both the academic and trade areas. Wright has instituted the most extensive technology training of the four schools in the region.

Although the number of graduates across the four schools remains modest (445 in 2001) due to attrition in the course of the programs, there has been an increase of 10% since the 1995-96 school year (Table VI-4). The top occupations of graduates continue to be culinary arts and cosmetology, although the increases in graduates in microcomputer and manufacturing technology and the building trades are hopeful signs. Statewide, the percentage of students meeting the state goals on the 10th grade CAPT is still far lower than in the academic high schools.

Adult and Continuing Education

The State capped the allocation for adult education in 2001-2002 for the first time, which has resulted in cuts in spending across the region and a dramatic increase in program waiting lists statewide.[42] This has occurred at a time when pressing needs for basic skills training persist and Connecticut's program received bonus federal funding for high levels of performance and stands as a leader in the nation.

Previous studies have pointed out the wide variation across towns in the availability of and investment in Adult Education in the face of pressing needs for more and more effective literacy programming. This disparity and under-investment persists today. Total spending on the region's adult education programs in 1999-00 was $3.8 million, representing annual increases of less than 4% since the 1995-96 school year

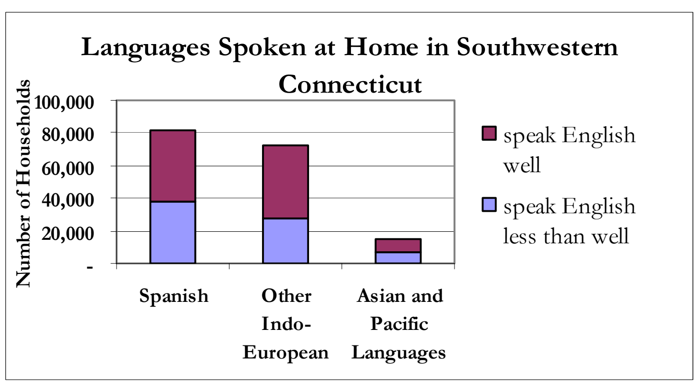
This need is especially pressing in light of the high number of adults without a high school diploma who are not enrolled in adult education programs. According to the State Department of Education, only 700 people in the Southwestern Region received their high school diploma in 2000-2001 through alternative completion programs while over 900 high school students dropped out-of-school.

This data suggests that the regional business community and workforce development system needs to support efforts to restore funding to effective adult education programs and to ensure that limited funding for basic skills training are focused on the programs with a proven track record.

Language Training/ESL

As we learned in the first section of this report, regional diversity is increasing as new residents come from other countries to live and work in Southwestern Connecticut. According to the 2000 census, 23.3% of households in the Southwestern Region spoke a language other than English, and 10% of households reported speaking English less than well. The increasing number and diversity of foreign-born residents in the Southwestern Region also drives the amount and types of English as a Second Language

Figure VI-1



Source: United States Census, 2000

[42] Communication from the Connecticut Association for Adult and Continuing Education, November, 2002.

(ESL) classes that are necessary.

Employers report seeing the need for more and different ESL programs. Pitney Bowes reports that its employees speak 59 different languages, and employers noted the need for ESL to be available in Portuguese, Japanese, and French. Employers in manufacturing report an acute need for ESL training. For example, at a highly skilled workforce in a Norwalk factory, language barriers force workers to communicate with colored dots. Employers also report that ESL and other language programs must connect geographically with the individuals who need them and be located at and tailored to the workplace.

Community Colleges

The Community Colleges are cornerstones of the workforce development system in Southwestern Connecticut—key partners in providing pathways out of poverty and underemployment.[43,44]

Table VI-5
Community College Enrollment

	1995-96	2002-03	% Change
Housatonic	2,665	4,515	69%
Norwalk	5,352	5,717	7%
Total	8,017	10,232	28%
System Total	42,828	44,869	5%

The colleges reach out to employers to develop customized responses to training needs and constantly retooling course and program offerings to meet the emerging needs of the market. Enrollment at Housatonic Community College has increased 69% since 1995-96 (Table VI-5), in large part as a result of the move to a new downtown campus. Enrollment growth at Norwalk Community College has exceeded the statewide system as well.

Norwalk Community College continues to build its Workforce Institute, which offers customized training programs to employers and develops innovative responses to workforce development needs. In response to requests from industry, the College has created in record time an Associate Degree program in Cyber security to prepare students for these important roles. An estimated 25,000 people, most of them employed, participated in Community College non-credit training activities last year.

Although the State has recently invested substantially in upgrading this system, these colleges continue to face budget and organizational constraints. They also are still challenged by administrative procedures and rigidities which impede timely responses to market demands for new categories and types of training. The Colleges must be continually engaged in responding to the skill requirements of the local labor market with new programs and services.

Colleges and Universities

Public and private four-year institutions are vital components of the region's workforce development system. The new Stamford Campus of the University of Connecticut is offering programs with a focus on business and technology. Private colleges and universities within and near the region (Fairfield University, Sacred Heart University, the University of New Haven, the University of Bridgeport, St. Vincent's) have created a number of new programs in response to market demands.

[43] Forde, Margaret L., "Community Colleges: Center of the Workforce Development Universe," Community College Journal, June/July 2002.
[44] Liebowitz, Marty, et al., Driving Change in Community Colleges, Volume 1: Building Systems of Advancement to Self-Sufficiency." Jobs for the Future, July 2001

Needed: A Regional Clearinghouse for Educational Innovation Across Systems

A number of promising educational initiatives and strategies were found in the course of this Community Audit, but the region lacks a systematic effort to promote positive efforts and connect potential partners to develop new, more effective responses to the problem or to bring existing promising responses to scale. The WorkPlace, Inc. could play a pivotal role as a central point for efforts to promote best practices, build collaborative approaches to issues, expand successful models, and provide a clearinghouse to inform businesses, institutions, and individuals on what is going on in education and to help identify gaps. A need also exists for regular input from businesses and major institutional and non-profit employers to inform educational institutions on current and projected economic trends and workplace skill requirements. The WorkPlace, Inc. is the logical place for this system improvement work.

The Job Training and Placement Infrastructure

Federal and state officials have supported an infrastructure of programs, many delivered by the education systems described above, to train and place certain designated populations:

- *Dislocated workers* - workers with a stable employment history who have lost their jobs and are not likely to be re-employed in their usual occupation.
- *Disadvantaged workers* - low-income individuals with low skill levels and little or no prior attachment to the labor force.
- *Workers with special needs* - workers who have a physical or mental disability that results in a substantial impediment to work.
- *New entrants* - workers with no prior attachment to the labor force who lack the skills and knowledge necessary to be gainfully employed.

Methods of training include:

- *Basic education* - instruction in adult basic education including such topics as reading, writing, computing and English as a second language.
- *Classroom/workplace* - classroom instruction in specific job skills such as word processing or home health care, which may be supplemented with work experience.
- *Workplace based* - instruction in an occupational skill through training that takes place at an actual job site.
- *Job search assistance* - assessment of an individual's job skills, training in job-finding techniques, and help in locating job openings.
- *Training plus* - training that supplements any of the basic models with one or more social services deemed necessary to enable the individual to participate in a training program.
- *Individual needs* - training tailored to meet the needs and capabilities of individuals with mental or physical handicaps.

Even though studies point to workplace-based training connected to jobs as the most effective training approach, only a small percentage of state and federal training funds are devoted to this use.

The WorkPlace, Inc. funds programs for youth and adults, which served 3,884 individuals in the 2001-2002 program year: 2,235 through Welfare to Work Case Management (1,487 served, 764 placed) and Training (748 enrolled, 393 placed); 1,243 through Incumbent Worker Training (286 FlexBuild, 126 FlexBuild META, 618 H-1B, 213 Valley Plastics); and 406 through Youth Services Year-round Employment and Training (225 enrolled, 215 completed); and Summer Youth Employment and Training (181 enrolled, 179 completed).

The WorkPlace, Inc. has procured 1,920 total slots to serve adult and dislocated workers, a small fraction of the total need for training in the region documented in Section IV. With the expansion of eligibility and flat funding under the Workforce Investment Act, the competition for scarce training dollars will only increase. In response, The WorkPlace, Inc. has aggressively pursued federal discretionary funds as well as private grants to expand its training resources.

Table VI-6: 2000-01 Trainings and Placements, Welfare to Work and Incumbent Worker Training

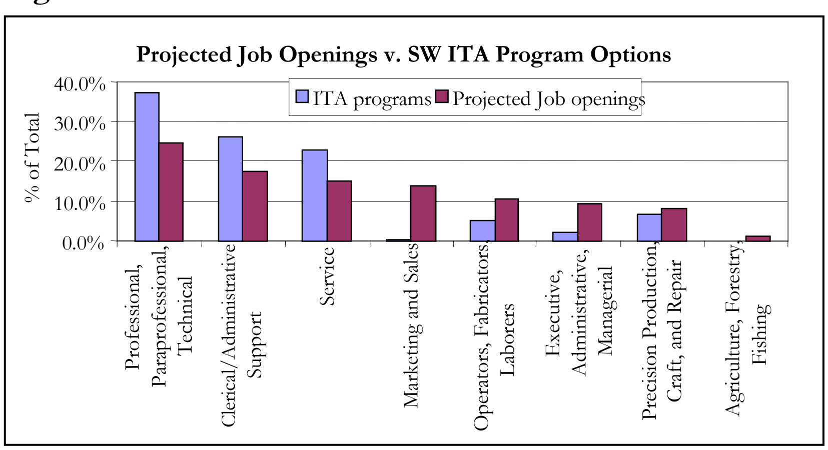
Area	**Welfare to Work Training** # Enrolled / # Placed	**Incumbent Worker Training** # Trained
Bridgeport	416 / 239	425
Valley	87 / 52	129
Stamford	169 / 78	535
Norwalk	76 / 24	83
Total	**748 / 393**	**1,172**

Note: These approved slots do not include individual referrals and scholarships, which are available through The WorkPlace, Inc. across the region.

Individual Training Accounts

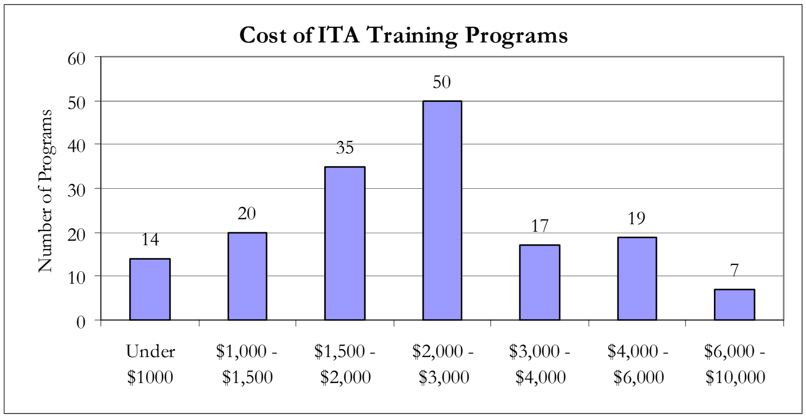
The Workforce Investment Act of 1998 requires that training services funded through local Workforce Investment Boards be delivered through the use of Individual Training Accounts (ITAs), vouchers which participants can use to procure the training of their choice. Training participants can choose from training courses that are qualified through the eligible training provider (ETP) list. Workforce Boards can continue to contract directly for training with providers to serve "special populations" if they make a case that this is the most effective strategy given the group's particular needs.

Figure VI-2



An analysis of the training programs located in Southwestern Connecticut that are on the eligible training provider list reveals that the majority of training programs eligible for the use of ITAs target (or 'train for') employment in (1) Professional, Paraprofessional and Technical, (2) Clerical and Administrative, and (3) Service Professions. These occupational categories are also predicted to have the largest number of annual openings through 2008.

Figure VI-3



Source: Eligible Training Provider List, 2002

ITAs granted to individual jobseekers can be for up to $3,000; over half (58%) of those programs offered cost $3,000 or less, making the ITA sufficient to cover the entire cost of the training. Just under half (41%) require over $3,000.

Developing the skills of incumbent workers is an important goal for the region in order to fill the need for more skilled workers. This means that the training schedules need to be available at times when working individuals can attend. Currently, of the 203 training programs located in the Southwestern Region, 171 offer programming during the day, 115 offer evening programming, and 35 offer weekend programming.[45]

Youth Services

The WorkPlace, Inc. Youth Council, formed under the provisions of the Workforce Investment Act, brings together the business community and major institutions charged with educating and supporting the career success of youth to set policies and identify service needs and gaps. The WorkPlace, Inc. served 225 youth in WIA-funded year-round programming in 2001-2002. The region has a number of effective discrete programs addressing the needs of out-of-school youth, but a general lack of a coordinated or thorough response to their needs.

The scale of programming aimed at Out-of-School youth is far below that required to make a significant dent in the needs identified, with over 900 new high school dropouts hitting the streets each year in the region, more than half of them in Bridgeport. Conversations with youth services leaders in the four sub-areas reaffirmed this as a pressing need. This should be an early priority of the Youth Council.

Workforce Investment Act and the CTWorks System

A central feature of the Workforce Investment Act is the creation of One-Stop Centers, called CTWorks Centers in Connecticut, for the delivery of workforce development services and coordination of services among numerous mandated and voluntary partners. All services funded under the act—from occupational training to adult education—must be made available through the CTWorks system. CTWorks in the Southwestern region include Ansonia, Bridgeport and Stamford.

In July 2002, Career Resources of Bridgeport became the new CTWorks operator, hired through a procurement process. Career Resources is a major provider of direct training services to disadvantaged persons over the last few years. Career Resources also provides case management services to the TANF population, creating a stronger link between welfare and skills acquisition.

45 All time slots were counted for programs that offered multiple slots (e.g., both day and evening programming).

The CTWorks system can be a resource in the creation of "pathways" from entry-level (minimum wage) jobs to higher level jobs, particularly for individuals supported by TANF. A continuing challenge for the employment, training and placement system is to provide ongoing education/training opportunities that allow the individual to meet his/her present employment and family obligations while investing time (and money) to advance in education and/or training.

Employer-based Training

Employer investments in training their own workforce dwarf public sector efforts. In 2001, companies spent over $57 billion nationally on training, 66% of it on salaries of in-house training staff.[46] This represents a more than five-fold increase in training investments over the last 20 years during which the workforce grew by 35%. A national study estimates that there are 1,600 corporate training institutions – "corporate universities" – in the country, and this number could surpass traditional universities by 2010.

Applying the factor of investment per company by company size class developed in this national survey to Fairfield County, regional companies invested over $200 million in training activities. Fully 32% of respondents to the 1999 CBIA Survey reported increasing investments in training over the past year.

An important objective of the WorkPlace, Inc. in a period of dwindling public resources for training is to promote expanded employer investment in the workforce based on a straightforward return-on-investment analysis. One opportunity is to partner with the Business Training Network program operated for the state by the Connecticut Business and Industry Association (CBIA). This program engages local groups of businesses in an effort to examine their training needs strategically in relation to their internal production requirements. Small grants are available to support development of the networks, with several operating in Southwestern Connecticut. One example is the marine trades network, which has defined job classifications and career ladders in the maritime industries to guide recruitment and training efforts in the industry.[47]

Interviews with employers and providers of training indicate that employer investments in training and in partnerships with education and training entities are on the rise in the Southwestern Region in recent years, although there is evidence of some short-term retrenchment due to the recent downturn. A prime example is the work of METAL, the metal manufacturing cluster organization in Bridgeport, which has sponsored significant incumbent worker training with some federal grant assistance.

The challenge facing The WorkPlace, Inc. is to encourage and support this trend of private investment in training and assist companies in ensuring the highest return possible on this investment.

Supportive Services

Success in gaining and retaining employment requires workers to balance a range of life issues, which becomes more difficult for households lacking in economic or personal resources. Workforce development efforts must work with providers of a range of social services in order to support success, from Employee Assistance Program (EAP) and other

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[46] Galvin, Tammy, "Industry Report, 2001," Training, October 2001. p.40
[47] Communication with Beth Sweetland Bailey, Director of Business Training Network Program, CBIA, October 2002.

counseling to health care to child care and transportation. The latter two are perhaps the most significant issues for the largest number of low-income and unemployed workers.

Transportation

Many business leaders in Southwestern Connecticut recently proclaimed that the region's ongoing growth and direction would be determined by decisions surrounding transportation and reducing congestion.[48] The Connecticut Department of Labor has also identified transportation woes as the single-biggest threat to business growth in Southwestern Connecticut.[49] A recent Needs Assessment in the Valley reports that problems related to ready access to transportation was one of the most common themes heard from residents in the Valley.[50]

The 2000 census reveals that the majority of workers in the Southwestern region drove alone to work, with slightly fewer workers in the Stamford and Norwalk areas driving alone (and therefore using public transit or other means) than in the Bridgeport and Valley areas.

Just under one third of workers in the Southwestern region spend under 15 minutes traveling to work, roughly one third spend between 15 and 29 minutes traveling to work, and the remaining third spend 30 minutes or more traveling to work. The Norwalk Area reports slightly longer commuting times than the other areas within the region.

Employers Look to Aid with Transportation

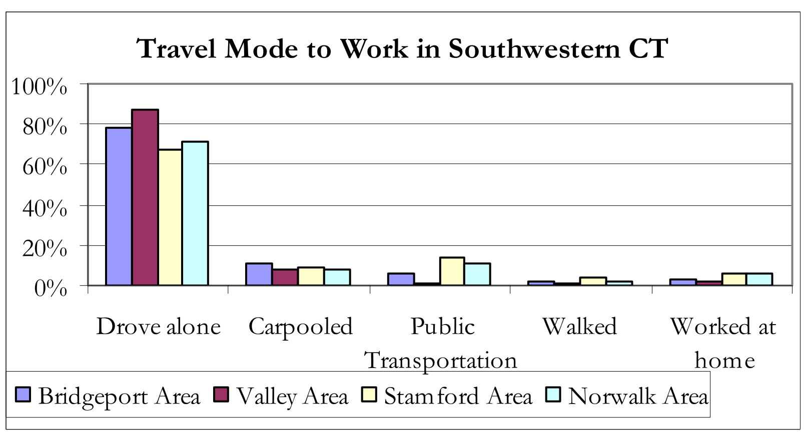
When asked "What steps does your business now take and what steps might it consider in the near future to help ease congestion and improve transportation," Connecticut employers responded:

Transportation Options	We do now	We would consider
Offer telecommute option to workers	11.1%	18.2%
Provide variable schedule/flex time option	35.0%	17.5%
Encourage use of rideshare/vanpool/shuttle bus	10.5%	22.3%
Subsidize mass transit for workers	2.5%	18.1%
Discontinue subsidy, or charge, for parking by single-occupancy vehicles	1.7%	13.5%
Ship products other than via roadways (rail)	4.6%	16.7%
Use low-emissions vehicles as company vehicles	7.6%	22.9%

Source: CBIA Membership Survey 2001

Employers report a willingness to assist with some transportation options to help relieve transportation woes (see sidebar). Eleven percent report that they offer telecommuting options to workers, 35% report offering a variable schedule – "flextime" to employees, and 10.5% report encouraging the use of rideshare, vanpools, or the shuttle bus. Employers also report some interest in considering steps to assist in transportation congestion in the future.

Figure VI-4



Source: United States Census, 2000

[48] Flinn, Ryann, *Region Lies at a Crossroads*, The Hour, June 12, 2002, page A8.
[49] The Connecticut Department of Labor, *Information for Workforce Investment Planning* (2001), pp. 11.
[50] *The Valley Needs Assessment,* Mount Auburn Associates, 2002. Executive Summary

The WorkPlace, Inc. administers Job Access Transportation to improve access to job sites in Southwestern Connecticut through new and enhanced transportation services for welfare clients, low-income individuals, people with disabilities, and anyone who depends on public transportation. Among the success stories in the Southwestern region is the Coastal Link, a seamless bus service between Milford and Norwalk along the Boston Post Road and operated cooperatively by the Milford and Norwalk Transit Districts and the Greater Bridgeport Transit Authority. Begun in October 1999, this service has provided 453,716 rides in the first 10 months of 2002.

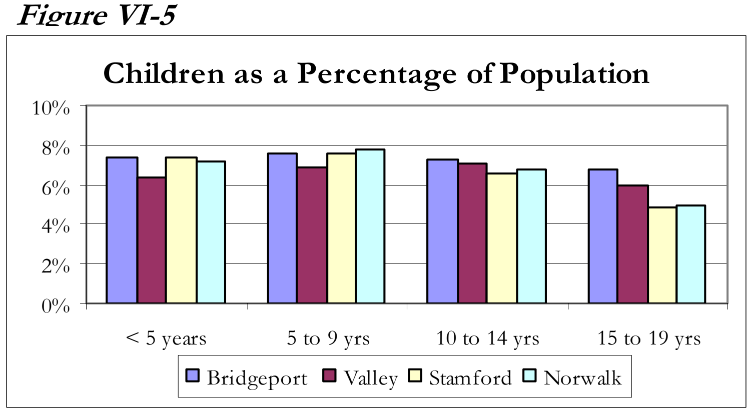
Childcare

Affordable, reliable childcare is critical to helping parents, particularly those new to the workforce, obtain and retain employment. Parents transitioning into employment face child-care challenges such as lack of transportation, lack of quality childcare providers in their neighborhoods, the need for care during nontraditional hours, and coordinating care for multiple children.

A recent assessment of the state of school readiness in Fairfield County documents the lack of quality child-care capacity with the following findings:

- There are more than twice as many children (61,332) as there are child-care slots available (29,054) in Fairfield County. This is one of the few indicators where Fairfield County fares worse than the rest of the state.
- Fairfield County has a shortage of 2,280 *preschool* slots.[Pre-school slots are for 3 and 4 year-olds only, and are not necessarily intended to provide child care for working parents.] Yet 11 individual towns have a surplus preschool slots that could be filled by children of neighboring communities. For example, Fairfield has 391 surplus slots that could help meet the needs of Bridgeport children, where there is a shortage of 3,407 slots. Overall, a regional approach to early care and education, including plans for transportation, is essential.
- Accredited, high-quality child-care centers and preschools (those accredited by National Association for the Education of Young Children) are in short supply throughout Fairfield County. Only 48 such programs operate in the county, and the most in any town is five."[51]

Figure VI-5



Source: Census, 2000

The overall lack of supply of quality, affordable

[51] Connecticut Conference of Municipalities, *A Profile of School Readiness in Fairfield County*, September 1999.

child-care is caused by many factors, each of which will need to be addressed to remedy the lack of capacity. Common barriers affecting the supply and demand for childcare include:[52]

- Limited supply of subsidies and high co-payment requirements
- Strict eligibility criteria for subsidies
- Lack of providers, particularly in inner-city areas
- Specific lack of providers who care for children during nontraditional hours or who provide care for infants
- Special care needs of children with special-needs, sick children, or school-age children
- Low reimbursement rates that dissuade providers from providing child care for low-income families
- Low pay in child-care professions that results in high staff turnover, reducing child care supply

Assistance from the State in building capacity is not forthcoming. The most recent budget for the State of Connecticut provides little in the way of childcare assistance for those coming off welfare and the state as of July 2002 has stopped taking new applications from working poor families under Care 4 Kids, the main subsidy program.[53] Cities have begun to address the issue; the City of Bridgeport has begun an effort to address that City's deficiencies in child-care by establishing a Child Care Taskforce. The Taskforce will study how to increase the availability of childcare in the City, as well as how to expand the kinds of care available.[54] Stamford has made extensive efforts to expand the quality and availability of childcare.

Emerging Responses

These conditions are helping innovative solutions emerge, albeit often in isolation and in most cases at a very small scale relative to the need. The WorkPlace, Inc. provides a number of innovative and targeted projects to respond to particular needs.

Examples of specific industry clusters coming together to meet their training needs in partnership with education and workforce development entities, include:

- METAL is a solid training partnership among metal manufacturers in Bridgeport launched with support of the state's cluster initiative.
- Information Technology firms joined together with Norwalk Community College to create a new Cyber security/Data Assurance program with strong industry participation to meet a targeted need. The program offers an Associate Degree with articulation with UConn to offer a pathway to a Bachelor's degree.
- A new Business Training Network in maritime trades is defining jobs and training needs in the marine trades.

In the education and technology areas:

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[52] Kaplan, Jan, *Child Care Funding and Policy Issues*, TANF Reauthorization Resource, January 2002 p. 1
[53] Dixon, Ken *Lawmakers Ready to Enact 'Ugly' Compromise Package*, The Connecticut Post, August 10, 2002.
[54] Ramunni, Kate *Council OKs Initiative to Set Up Child-Care Task Force*, The Connecticut Post, June 25, 2002.

- Both Norwalk and Housatonic Community Colleges are pursuing a range of new programs and services to meet employer needs in targeted industries.
- School-to-Career Programs – Stamford, Norwalk, Bridgeport, Stratford, Trumbull
- SACIA has convened schools, libraries, and youth agencies offering computer access and skills training in the SmartBridges initiative to address the "digital divide." By pooling their talents and coordinating efforts, the participants aim to expand access and improve program quality.

In the workforce development area:

- Career Resources in Bridgeport, the region's CTWorks Center manager, is integrating the CTWorks and TANF case management and skill development programs to provide a pathway to sustained employment.
- Valley Business Advisory Council is a network of employers and agencies coming together to work on employment issues of disabled, with a focus on those with mental illness or substance abuse issues.
- Innovative youth programs in Bridgeport, the Regional Youth Adult Substance Abuse Project (RYSAP) AmeriCorps Program and the FSW "Piece of the Pie" youth entrepreneurship program, are working to address the root causes of youth unemployment, addressing both skills and the issue of attitudes and low self-esteem.

The challenge is to understand the key success factors in these models and then bring them to scale to impact a greater number of un- and under-employed workers and meet employer needs.

Pressing System Issues

The prior section identified the labor shortage and skills challenges facing the region while this section has focused on the systems designed to address these challenges.

In summary, pressing system issues that the region needs to address include:

- Engaging business leaders who are critical of skill levels of graduates of training programs and K-12 system. This requires a dialogue to understand their concerns and engage them in solutions, deepening the collaboration between employers and educators to produce workers with necessary skills.
- How to create more career pathways by seizing opportunities presented by entry-level jobs in an economy in which the majority of openings are projected to be in low-wage occupations.
- Addressing housing affordability, transportation, and child care, which remain significant issues.
- Addressing the resource challenges in an era of declining federal and state funds for workforce development and adult education. The companion challenge is to increase accountability of programs using these scarce resources to ensure maximum impact.
- Building capacity and supply of high-quality workforce development vendors.

VII. Current Opportunities in Workforce Development

Southwestern Connecticut faces a historic opportunity to ensure its residents realize the economic benefits of the projected regional economic expansion, particularly in the Service and FIRE sectors, by working to improve the skill sets of current and incoming workers and individuals left behind by the educational system. Skill-building efforts also will help ensure that economic expansion is sustained by increasing the supply of qualified workers by tapping underutilized human resources in the region. In using proven strategies to address youth unemployment, dislocated workers, chronic underemployment of low-wage workers, and very low employment levels for persons with disabilities, the workforce development system will fulfill its dual mission of serving business's need for skilled workers and preparing new and under-skilled workers for labor market success.

The WorkPlace, Inc. has an opportunity to expand its information clearinghouse and "research and development" roles in the workforce development system by supporting and spurring collaborative and individual efforts to address challenges outlined in this Community Audit. The WorkPlace, Inc. can do this by producing analyses that illuminate the issues as well as by convening collaborative planning processes to clarify understanding of the issue, develop and implement strategies for change, and establish performance measures to measure regional progress. The following recommendations, grounded in the extensive discussions and research conducted for Community Audit, are presented as a framework and guide for this work:

I Increase workforce and education system's effectiveness in delivery of graduates with the requisite basic skills to earn a living and meet employers' needs.

Rationale: Despite the historical focus in the education system on basic skills, many employers report through interviews, focus groups, and the annual CBIA survey that too many people continue to enter the workforce unprepared and are in need of basic skills, work ethic, and job readiness training.

This problem begins with Elementary and Middle Schools -- students served by the four urban districts in the Southwest (Ansonia, Bridgeport, Norwalk and Stamford) score significantly worse on the Connecticut Mastery Test in Reading in both 4th and 8th grade and in both 1995-96 and 2000-01 (Table VI-2). Looking at High Schools, tenth grade CAPT scores show a similar pattern and five towns in the Southwestern Region have a higher cumulative dropout rate than the State of Connecticut as a whole[55] and over 900 youth dropped out-of-school in the 2000-2001 school year across the region, presenting a major challenge to both the educational system and the workforce development system. Among adults, 16% of persons age 25 and over (87,000 people in the Southwestern Region) lacked a High School diploma in 2000, which is down from 20% (105,000) in 1990, but leaves a large part of the workforce trying to function with insufficient skills for today's workplace. Forty-eight percent of TANF clients have not finished High School (or attained a G.E.D.), and

[55] The cumulative drop out rate measures the total number of students that drop out from a particular class from the time they enter school until the time of their would-be graduation date, as opposed to the number of students that drop out during any given year.

only 19% of TANF clients are functioning at a high school level in math. Employers also report an influx of workers speaking Portuguese, Japanese, and French, in addition to the continuing need for English as a Second Language courses for Spanish-speaking employees.

Southwestern Connecticut will need to upgrade individuals who are currently working in low-wage jobs or are marginally attached to the workforce to overcome the current and impending labor shortage. A mismatch exists between basic skill requirements of employers (including English speaking capabilities) and the skills of many un- and underemployed workers. In most cases the workforce development system will need to provide basic skills and job readiness training to assist these workers in entering or re-entering the workforce.

Improving basic skills—using an expanded definition of basic skills to include a full range of basic workplace skills, will require working at several levels—with the K-12 education system, out-of-school youth and young adults, and the Adult Education and Community College systems—to define the roles and standards for each system within a coordinated effort. In each area, The WorkPlace, Inc. will encounter different systems and sets of interests that must be engaged to move the agenda forward. But in each area, a focus on collaborative action, evidence-based practices grounded in sound local and national experience, outcomes, and accountability-driven continuous improvement can yield results.

- ***Working with the K-12 education system, particularly in lower-performing school districts, to define and meet higher expectations for students.***

The WorkPlace, Inc., as an employer-driven Workforce Development Board, needs to join with SACIA and other employer groups to engage the leadership of the K-12 system, particularly in the urban districts, in a united effort to advance proven practices for educational improvement. This active engagement, building on the work over the last eight years of School-to-Career movement, must be designed to improve the alignment between the practices and outcomes of the K-12 system and the needs of employers who will provide the source of livelihood for the graduates (or not, depending on their skill levels).

- ***Increasing efforts to reach and work with out-of-school youth and young adults using successful models that address the whole person, not just specific skill deficiencies.***

With the development of the Youth Initiative Strategic Plan (March 2001), The WorkPlace, Inc. and its Youth Council members identified a number of critical issues facing out-of-school and underemployed youth in the region. The WorkPlace, Inc. will need a concentrated effort to recruit and guide a core of private sector and provider leaders dedicated to fulfilling the promise of this Plan. In interviews and focus groups, employers suggested that all youth, including the hard-to-serve, be encouraged to enter college or other educational/technical degree programs to prepare them for careers paying living wages. The Youth Council should seek to expand programs that successfully motivate these hard-to-reach groups through experiences that build their confidence and demonstrate the utility and necessity of skill acquisition. The Council should also support expansion of programs that will help prevent teen pregnancy and youth crime by expanding alternatives for younger children.

- ***Building support for the expansion of Adult Education efforts in the region through increased funding of and continuous improvement of core programs and dramatic expansion of workplace-based literacy programming through outreach to employers and provision of incentives to employer participation.***

Despite efforts to prepare those entering the workforce with the basic skills necessary to perform on the job, too many workforce entrants continue to enter the workforce unprepared and are in need of basic skills and job readiness training. Additionally, many new immigrants arrive with low literacy or English proficiency skills. The state has chosen this time of increasing basic skill requirements, impending labor shortage, and substantial immigration to reduce rather than expand its investment in the Adult Education system. Employers need to be engaged in both increased direct investment in workplace literacy programs and in supporting expanded public investment in Adult Education as a highly cost-effective strategy.[56] The WorkPlace, Inc. could also lead an effort in partnership with the State's Bureau of Career and Adult Education to explore the introduction of new, technology-based modes of delivery of adult literacy programming to more people more efficiently.[57]

Particular attention should be paid to the TANF clients' acquisition of basic skills. The system should use more of the Federal funds saved through lower benefits outlays to invest in basic skills training for higher-need remaining TANF clients and to ensure sufficient time is allocated to develop these skills. Programs should incorporate into the development of skills the concept of "learning how to learn" to ensure that TANF clients continue to make lifelong learning a part of their career development. One way to ensure the success of TANF clients in their transition to work, and avoid their return to the TANF rolls, is to incorporate a clinical component to services and lengthening the overall interaction between case manager and client.[58]

II Promote lifelong learning and career ladders to meet employer's needs for a skilled and flexible workforce and low-wage workers' need for pathways to economic security.

Rationale: An estimated 140,203 individuals live in low-wage households in Southwestern Connecticut. Many dislocated workers and workers with disabilities are stuck in low wage jobs. With 59% of projected annual job openings paying a wage below the low-wage level and employers across many industry clusters concerned about the availability of skilled workers, the system faces an opportunity and a challenge to create clearer pathways to higher paying jobs.

The model of promotion and advancement in modern workplaces assumes that workers succeed by performing in their given positions and then moving to the next level. For this to work for low-income workers, they need access to the tools to develop the additional skills necessary for promotion and to identify their career ladder and understand the potential for success if they build their skills. The WorkPlace, Inc. can assist the region in meeting this challenge by identifying opportunities to define and/or create career ladders across a number of economic clusters in partnership with employers and educators, promoting employer support for lifelong learning within their workforce, and promoting

[56] The WorkPlace, Inc. can partner on this with the State Department of Education, which recently received a federal grant to promote workplace literacy programs across the state (communication with the Bureau of Career and Adult Education, November 2002).

[57] For an analysis of how e-learning might be used to broaden access to adult literacy programming, see McCain, Mary, "Leapfrogging Over the Status Quo: E-Learning and the Challenge of Adult Literacy." Jobs for the Future, November 2002 at http://www.jff.org/jff/PDFDocuments/Elearning.pdf

[58] The clinical component might be divided between TANF case managers (for initial identification and assessment) and agencies with existing expertise (e.g., BRS or DMHAS) for treatment.

these career ladders with entry-level workers. Community Colleges have a central role to play in this process. The WorkPlace, Inc. should incorporate expanded career ladder counseling within its TANF services, as a part of entry into the labor market and as a service continuing beyond their successful transition into the first job.

Businesses and the educational system need to be engaged in the process of redesigning entry-level work based on career ladders. This could occur through cluster organizations or other targeted committees. There is a need to create practical solutions that can easily reach those entering the workforce. One strategy would be to promote the use of existing distance learning programs (e.g., Smart Force Scholarships, Sacred Heart University degree programs, various web-based offerings) from easy access points (e.g., Adult Education classrooms, Community Based Organizations, Public Housing Authorities, Public Libraries, workplaces) to give entry-level and low-wage workers the skills they need to move up into better jobs that connect them to their career ladder.[59]

Another strategy is to engage businesses in strategic assessment of their training needs through the mechanism of Business Training Networks, with The WorkPlace, Inc. partnering with CBIA to facilitate the formation and success of these networks.[60]

III Mobilize a broad Southwest-wide campaign to address both basic general technological literacy and specific occupational training needs.

Rationale: Connecticut companies are major users of Information Technology, particularly in Southwestern Connecticut. Reliance on technology is not isolated to companies in the "technology" sector or who have been a part of the dot-com economy. As such, demand for workers with Information Technology skills is broad and exists on two levels: (1) training lower level workers to have the ability to operate computers to perform basic tasks; and (2) producing higher skilled workers with the ability to program, provide maintenance, and plan for technology's use in all sectors. For the first level, knowledge of computers and technology will be necessary for most jobs that will lift workers out of low-wage status. Virtually all skills standards developed as a guide to the requirements of growing economic clusters include a major emphasis on technology skills.[61] At higher skill levels, the demand for skilled IT workers is projected to outstrip the supply and place increased demands on the education system, as documented extensively in the State's recent call to action – "An Information Technology Workforce Strategy for the State of Connecticut."[62] According to the Battelle Report: (1) across all Connecticut industry and 13 occupational categories, there are only 62,000 IT workers or 3.8% of the State's workforce (2001); (2) 60% of key senior executives at 43 Connecticut companies see the availability of IT workers as a problem; (3) the IT worker supply shortage is exacerbated by traffic congestion and lack of adequate public transportation preventing the Southwest region from attracting commuters from the Hartford metro area, which employs 26,740 IT workers (over 46% of

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59 For more detail on e-learning strategies see http://www.cbia.com/edtraining/2Workforce/Distancelearning.htm. See also McCain, ibid.

60 For more detail on the Business Training Network program, see the CBIA web site at http://www.cbia.com/edtraining/2Workforce/CBTN2.htm.

61 See National Workforce Center for Emerging Technologies, "Building a Foundation for Tomorrow: Skill Standards for Information Technology," 1999 (www.nwcet.org) and the CBIA Skills Standards project at http://www.cbia.com/edtraining/2Schools/standards2.htm

62 Prepared for the Connecticut Employment and Training Commission by Battelle Memorial Institute, January 2001.

the state total) to Stamford-Norwalk (9,290 IT workers) and Bridgeport (6,680 IT workers); and (4) in addition to recruitment problems, Connecticut employers report issues with retention, as Connecticut firms actively "raid" each other for skilled IT employees.

The WorkPlace, Inc. should strive to bring computer training to scale and create expectations across all communities and workplaces of a new minimum level of technology skills and knowledge. The WorkPlace, Inc. should build on the work of the State in the preparation of its Strategic Plan for IT Workforce Development (the Battelle Report) to mobilize a Southwest-wide campaign to address the needs to develop technology proficiencies across all skill levels. This could involve convening top Chief Information Officers (CIOs) and educators to engage them in crafting a regional plan. Such a plan should identify and project the specific skills needed in the workforce and a multi-pronged strategy for promoting those skills.

IV Broaden the Involvement of business, especially in incumbent worker training.

Rationale: The strong message emerging from the interviews and focus groups, echoing both the statements of business organizations such as CBIA and SACIA and the requirements of the Workforce Investment Act, is that the education and workforce development system should do more to both engage business participation in program design and new partnerships and to promote increased business investment in training of their own workforce. [63] The perceptions of interviewees in both business and education is that while there are some important work underway, there is a need for far deeper engagement to make the progress required to address the skills gaps identified.

This recommendation cuts across all those above—as we head into a period of state and federal austerity, the role of employers in investing both time and funds in their own workers and their future workforce becomes more critical. Strong relationships with the businesses and other employers in the Southwestern Region have supported and shaped the successful planning and programming of The WorkPlace, Inc. This energetic partnership and feedback must continue to guide the planning of the Board. New opportunities for outreach to businesses may be possible by (a) engaging the relatively new cluster organizations established by the State to promote key business clusters in Connecticut, (b) supporting the formation of Business Training Networks in their own efforts to provide workers with the skills necessary for the workforce, and (c) creating active engagement mechanisms to involve business in all aspects of planning.

V Continue to re-evaluate and strengthen the Workforce Development System.

Rationale: The Workforce investment Act has laid the groundwork for transforming the workforce development system to a more responsive and accountable system for preparing workers and increased the purview of Workforce Investment Boards to

[63] For a discussion of the importance of business engagement in the education and workforce systems, see the web sites of the National Alliance of Business (www.nab.com) and CBIA (www.cbia.com) which features extensive material on employment and training and school-to-career efforts.

look at the entire education and training system. To date, the most progress has been made in changing the limited number of programs that are directly funded through the federal government for disadvantaged and dislocated workers. But the vision is much larger than this. The WorkPlace, Inc. has led the way in Connecticut in forming partnerships based on accountability and meaningful results (e.g. METAL in Bridgeport, Job Access Transportation, workplace scholarships supported with private funds, and the TANF Employment Services program). This momentum must be capitalized on as The WorkPlace, Inc. engages in proactive, strategic planning that includes education and training entities and Business Training Networks.

Strategies to build more, better, and deeper partnerships include creating a clearinghouse for partnerships / innovation, investing discretionary funds in incentives for new partnerships and innovation targeted to specific population or economic cluster needs, and regularly collecting and publishing an expanding array of data on system needs and performance.

VI Increase public and philanthropic support for workforce development.

Rationale: Workforce Development has been primarily funded through governmental sources in years past. While The WorkPlace, Inc. can continue to expect support from federal and state sources, those funds have begun to wane in recent years. Workforce Investment Act State Allotments for Connecticut fell from $80,505,014 to $72,905,522 (9.4%) between Program Year 2001 and 2002 while cumulative funding levels fell only 0.6% across the nation.[64] The WorkPlace, Inc. has aggressively sought private funds to support workforce scholarship programs. Expansion of this targeted campaign to attract private funds -- to "expand the pie" -- is necessary to maintain and enhance the level and quality of service to both jobseekers and business.

In all the work suggested by these recommendations, it will be important to consistently measure progress in both the level of activity and system outputs as well as in the outcomes of these efforts. The WorkPlace, Inc. should set numerical goals wherever possible to propel the system and assess progress in meeting outcomes.

Responding to the Community Audit Findings

The Community Audit has defined the workforce development challenges facing Southwestern Connecticut in this period and pointed the way toward adjustments in strategy or new initiatives that might be included in a forceful response to these basic issues of skills, literacy, and social supports for workplace success. While the economic and social forces contributing to these challenges are beyond its control, The WorkPlace, Inc. has played and can continue to play a dynamic and evolving role in mobilizing the region to attack these challenges head on through effective partnerships.

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[64] Between Program Years 2001 and 2002, Workforce Investment Act State Allotments for Connecticut fell across multiple funding areas with the exception of Youth Activities: Adult Activities decreased 37.7% from $9,737,675 to $6,063,908; Dislocated Worker Activities decreased 27.3% from $7,406,982 to $5,384,702; Employment Service (Wagner-Peyser) decreased 3.1% from $8,314,954 to $8,060,259; and Unemployment Insurance decreased 3.6% from $45,533,778 to $43,885,028. Source: U.S. Department of Labor, Employment and Training Administration, PY 2001 vs. PY 2002 Preliminary Allotments (http://www.doleta.gov/budget/statfund.asp).

The WorkPlace, Inc. has a number of initiatives addressing the broad needs of the region as well as the needs of particular populations and systemic issues. These initiatives seek to involve key stakeholders from across sectors—employers, education, non-profit agencies, government. These efforts will integrate and respond to the Community Audit findings as they move forward.

Initiatives aimed at the broad workforce development needs of the region:

- The ***CTWorks*** **Centers** in Ansonia, Bridgeport and Stamford connect jobseekers and employers. They provide job search assistance, counseling, access to computers, phones and regional job listings for all levels of employment. The **ITA Experiment** studies the effectiveness of counseling methods with ITA customers in ***CTWorks***.
- **WorkPlace Scholarships** provide funding by private corporations and foundations for job training and education for individuals who cannot afford it and cannot access publicly-funded job training. UBS Warburg is one of the program's largest contributors, providing technology-related training for approximately 328 adults.
- **Workforce Diversity.** The growing diversity in the workforce is made clear in the new Employers' Guide to Workforce Diversity for Southwestern Connecticut. Approaches and resources for recruiting and supporting a diverse workforce are included.
- **Lifelong Learning Initiative.** The President of The WorkPlace meets with business and civic groups in the region weekly to present information on low wage workers and the value of Lifelong Learning as an employer initiative.

Initiatives addressing the needs of particular populations include:

- **Low-Wage Worker Task Force**. Business and community leaders are developing "an academy" within ***CTWorks*** to serve low-wage workers. A study on the demographics and characteristics of low wage workers in Southwestern Connecticut has already been completed. Business models are being explored for distance training and in the work environment.
- **Chase Job** Start is a no-interest loan and grant fund for jobseekers and the newly-employed whose job search or job retention is jeopardized by pressing financial needs.
- ***CTWorks*** **SW Disabilities Task Force** is comprised of representatives of the CT Works partners and representatives of persons with disabilities. Goals include: 1) Research and identify services and benefits currently available to persons with disabilities; 2) Identify deficiencies and gaps in services; 3) Identify best methods for coordinating services and benefits currently provided by ***CTWorks*** partners; 4) Identify solutions to remedy service deficiencies and bridge service; 5) Monitor progress of EveryOne Works; and 6) Set practice of continuous improvement for the system.
- **EveryOne Works**, a new project funded by the U.S. Department of Labor, will enhance the ***CTWorks*** Centers to ensure accessible, seamless service delivery to people with disabilities, as well as develop an inventory of services and resources.
- **Youth Council.** The mission of Southwestern Connecticut's Youth Council's is to develop and promote workforce training and leadership opportunities for youth, ages 14-21, residing in Southwestern Connecticut. Responsibilities of the Youth

Council include: 1) develop a coordinated youth policy, 2) strengthen linkages between existing local/regional youth services, 3) draw upon the expertise of all related community/employer groups, and 4) bring a youth perspective to the table.

- **Positive Futures** is a comprehensive, substance abuse prevention program for at-risk youth in Greater Bridgeport. The program's primary goals are to improve academic achievement, support career development, and develop the capacity of youth to rise above adversity to become successful. Youth receive up to 10 months of career development services that include job training and job shadowing.

Initiatives addressing specific systemic issues include:

- **People to Jobs Task Force.** The Task Force explores transportation needs and operations of the Job Access Transportation project at The WorkPlace, Inc. Bus route enhancements are funded by The WorkPlace, Inc. and transportation information will be introduced to customers in ***CTWorks***.
- **The Center for Capacity Development** works with organizations to assess and enhance the functioning of their key systems (financial, programmatic and organizational). The Center targets faith-based, community-based, grassroots, non-profits, and small businesses to increase their resources and capacity to provide effective services and support the workforce.

The WorkPlace, Inc. Board and staff will use the Community Audit findings in assessing the need for adjustments to these efforts or for new initiatives. The findings can also be used to mobilize employers, the education and workforce development system, and the broader community to get involved in these existing and new initiatives.