

Northwest Indiana

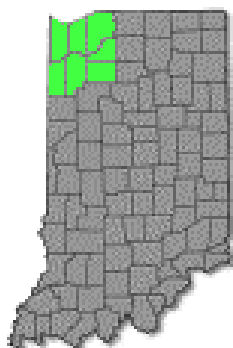
Planning and Acting for a Brighter Future

**Center of Workforce Innovations
And
The Lake County Integrated Services
Delivery Board**

Community Action Plan

November, 2002

Background



Northwest Indiana is a seven county area encompassing extensive agricultural land, lakeshores, sand dunes, wetlands, and rural communities. It also encompasses a major metropolitan area and a corridor of heavy industry – steel, automotive, and transportation. The region owes its good quality of life to this mixture of environmental wonders, productive farmland, and high paying manufacturing jobs. However, manufacturing in this area has been and will continue to be vulnerable to global economic competition. The communities in Jasper, Newton, Starke, Pulaski, LaPorte, Porter, and Lake Counties must look to the knowledge and skills of their workforce, the potential of their youth, and diversification of their economic base to maintain this quality of living.

The Center of Workforce Innovations (CWI), a nonprofit board comprised of community leaders interested in workforce development and the economy of Northwest Indiana, has been collecting “workforce intelligence” about the region for several years. Previous work includes *Analysis of Mid-Wage Job Opportunities in Northwest Indiana*, *Report on Northwest Indiana Learners*, *Winning Communities* (with the Northwest Indiana Forum), resource mapping of youth issues, conducting focus groups with employers and workers, and participating in data gathering in partnership with the Quality of Life Council and The Discovery Alliance.

While each of these research activities provided pieces of the puzzle, a complete picture of the region did not exist. Some of the studies were limited in geographical coverage and some were targeted to certain populations. The various studies spanned a large time period, so there was no single snapshot in time that examined all aspects of the workforce across the entire region.

In the fall of 2001, CWI collaborated with the Lake County Integrated Services Delivery Board to successfully apply for a community audit grant from the U.S. Department of Labor. The audit was intended to:

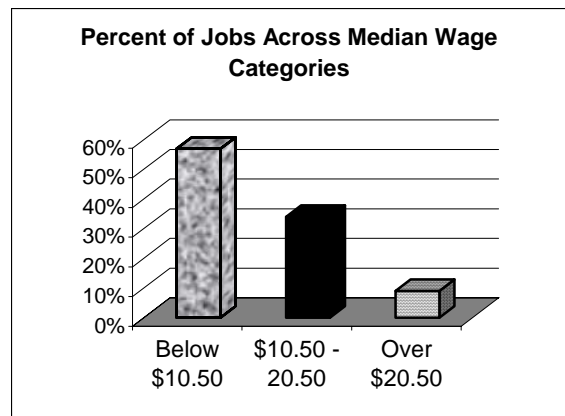
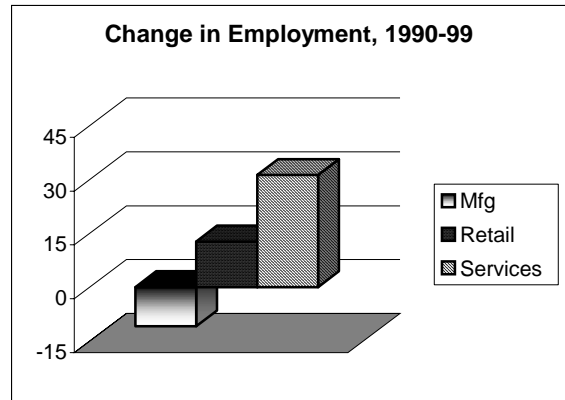
- Develop a common understanding of the supply, demand, occupational trends, and system capacity for the seven-county region of Northwest Indiana.
- Engage the community in identifying and prioritizing issues that arise from the data.
- Create a sustainable process for strategic planning and issue management.

CWI and the Lake County board selected the Corporation for a Skilled Workforce, to review and analyze existing studies, fill data gaps for counties that may not have been included in previous work, conduct a baseline community audit, produce a profile of the region, and facilitate community engagement.

Phase One: Fact Finding

Workforce Demand

- Jobs today demand that employees be able to work in teams, apply good listening skills, manage time effectively, meet deadlines, and prioritize tasks.
- High wages in the region are due mostly to manufacturing jobs, but manufacturing jobs are declining.
- The steel industry has the most economic impact on the region, and it is in trouble.
- 57% of the region's jobs pay median wages under \$10.50 per hour.
- 34% of the region's jobs pay between \$10.50 and \$20.50 per hour. Of these mid-range jobs, 81% require less than a four-year degree.
- Most firms in the region provide little structured workforce training.



Implications

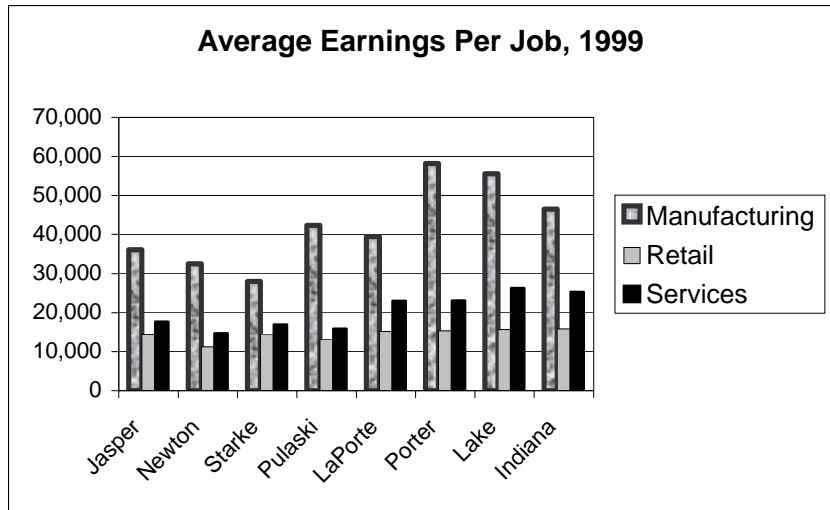
- The region needs to diversify. More high paying service jobs are needed to replace declining high wage manufacturing jobs.
- The large percentage of jobs paying a median wage of less than \$10.50 per hour may give the area a low-wage image. This will make it more difficult to keep bright young people in the region and attract new professionals.
- Employers, employees, and public entities will need to work -- and invest -- together to raise the skills of the current workforce so the region can continue to compete.
- Most good jobs will require more than a high school diploma, but less than a four-year degree.

High wage jobs projected to have the greatest number of openings from 1996- 2006 include:

- Professional and specialty occupations
- Marketing and sales
- General sales
- Precision Production/Crafts
- Executive/Managerial

The fastest growing jobs, however, include:

- Retail sales
- Truck Drivers
- Cashiers.

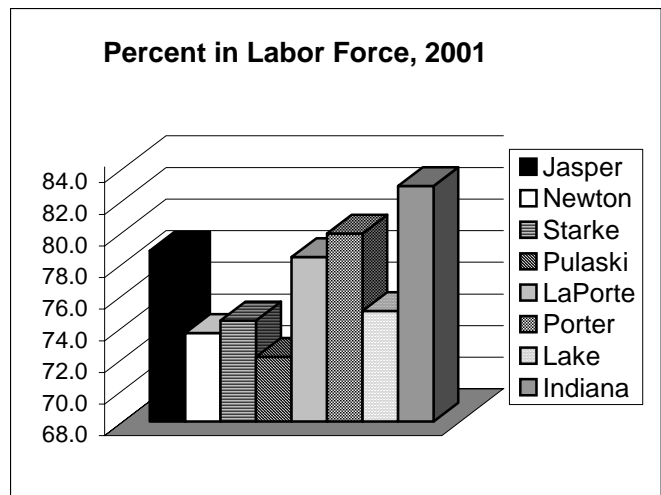


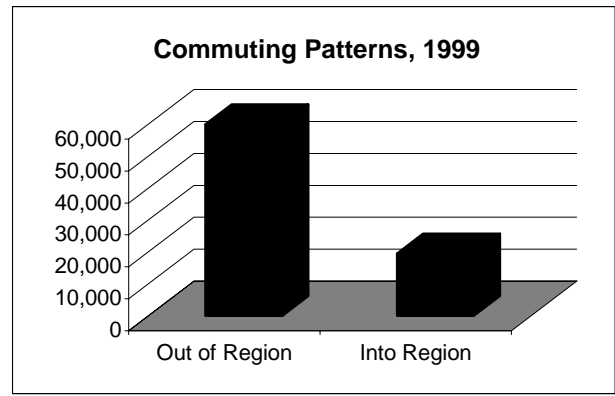
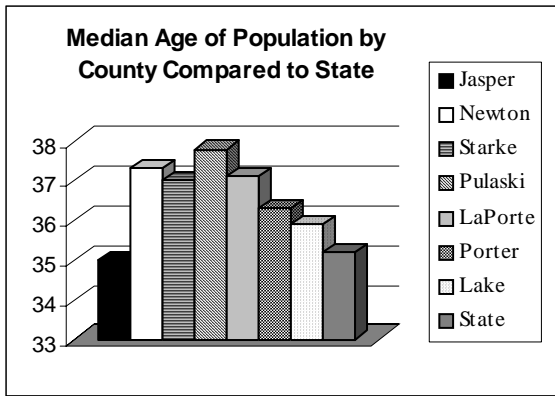
Comments from Area Employers:

- “There is no desire for post-secondary education even with tuition reimbursement.”
- “The root cause of the issue is a lack of motivation. There is zero interest in learning.”
- “Applicants are unable to pass 9th grade level reading and math tests.”

Workforce Supply

- The population is growing slowly and aging.
- The Hispanic population is growing rapidly.
- Labor force participation is low.
- The size of the labor force has declined since 1995.
- The average education level is lower than the state and nation.
- More workers commute out of the region than commute in.
- Per capita income is lower than the state.



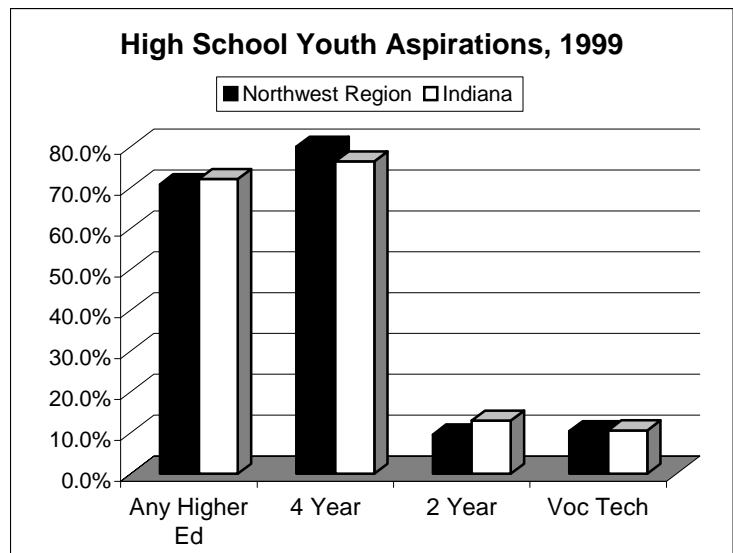


Implications:

- Labor force participation must increase in order to replace workers who will be retiring in this aging population.
- Increasing diversity means employers and communities need to address language and cultural issues.
- Educational attainment must increase for the current and future workforce to compete in the new economy.
- Increasing skills and knowledge may attract businesses that will keep the workforce in the region instead of commuting out

The Emerging Workforce

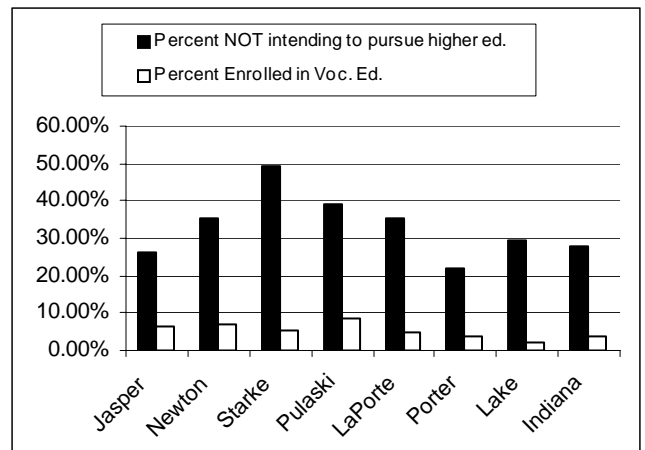
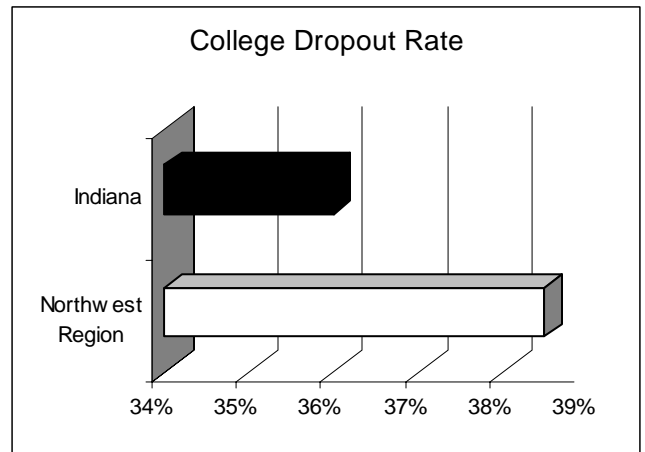
- The percentage of youth aspiring to education beyond high school is lower than the state average.
- Youth aspirations are inconsistent with employment projections. Of those aspiring to higher education, most want to pursue a four-year degree.
- Youth from the region who attend Indiana colleges drop out at a higher rate than the state average.
- Enrollment in vocational education at the secondary level is lower than the state average, despite lower aspirations for higher education.



- Postsecondary/graduation ratios are low.
- Postsecondary enrollments are dominated by business and education. These areas also have the lowest graduation rates of any programs.
- Associate degree and certificate programs are dominated by technical fields.

Comments from Educators:

- “What are we telling kids and parents about what it takes to be successful? Too many parents and students choose not to be successful and are not prepared to make good choices.”
- “There is a bad perspective concerning vocational programs. Programs change names because parents want their kids to go to “college”, not a vocational school.”
- “We need to help business conduct research and development to lead us to a “new economy”. What role do educators play in “driving” the economy? “
- “If we are going to look at Northwest Indiana as a “bedroom” community the students need to be prepared to live and work here. The role of higher education needs to be better defined.”
- “Most of the kids do not work during the school year and have no concept about real life situations.”



Implications

- Many youth leave school without any vocational skills and without any aspiration for further education, leaving them ill-equipped for good jobs. A large percentage who do go on to college drop out - - leaving them in the same situation.
- Inconsistent with the employment outlook, youth who do aspire to further education are more interested in pursuing 4-year degrees than technical degrees or certificates.
- The good news is that technology and trades and crafts predominate at the associate degree level. The bad news is that the ratio of graduates to enrollments is very low for these two areas.

Workforce Preparation

As a region, Northwest Indiana has many assets that can contribute to developing the workforce it needs to become more productive and competitive. It also has many resource gaps that will hinder progress. Among its assets are:

Excellent public postsecondary institutions including -

- Indiana University Northwest. IUN's largest program areas are Health and Related Sciences and Business/Administration
- Purdue University Calumet. The largest program areas are Business/Administration and Education.
- Purdue University North Central, whose largest program area is Business/Administration.
- Ivy Tech State College in Gary. The largest programs are General/Technical Studies and Business/Administration.

Although these institutions have the capacity for engineering related technologies and precision production, those programs comprise a small percentage of the enrollments. Business and education predominate at the postsecondary level, but also have the lowest rate of graduations.

Other sources of workforce development include Indiana Wesleyan, the Electrical Joint Apprenticeship and Training Committee, Portage Adult Education, LaPorte Hospital, Ancilla, St. Joseph, and many other private training entities, including employer-based training. Special tools and approaches include school-to-work programs, Cisco Academies, Certificates of Technical Achievement (CTAs), Work Keys, and the SHL Work Profiling System. The potential of these assets is underutilized.

Resources that come into the community to help fund training of workers and potential workers are nearly all federal, primarily accessible through the "one-stop" WorkOne Centers. The WorkOne Centers generally focus on manufacturing and service jobs, primarily take job orders and make placements in jobs paying less than \$10.50 per hour, and fill less than half their job orders. Public state and local investments are minimal, which means that the region does not have control over its own developmental destiny.

Fortunately, the area can count leadership among its assets. Community leaders working collaboratively to resolve these issues include:

- Local elected officials
- Workforce Investment Boards, such as the Center of Workforce Innovations
- Quality of Life Council
- Northwest Indiana Forum
- The Discovery Alliance

Implications

- Educational assets must be better aligned with employment projections to grow a high skilled, high paid workforce.
- Federal resources have been declining, yet the region is heavily dependent on federal money to develop its workers. Without local public/private investment, the region cannot address its own unique needs.
- Incentives may be necessary to convince workers to develop new skills required for an increasingly technological work environment.
- Intermediary systems are not effective and efficient in communicating skill requirements and filling skill shortages in critical occupations

Phase Two: Community Strategic Planning

The challenges facing the region were presented to community leaders from all seven counties at a major event on **DATE**. Community members agreed on four major goal areas:

➤ **Increase the skills of the current workforce.**

The current workforce is below the state and national averages in education and credential attainment. There is insufficient skill upgrade training for incumbent workers and insufficient information available to help them make career decisions. There is no uniform means of assessing their current education and skills against the education and skills needed for now and in the future. There is insufficient information for employers to analyze what kind of training they need to invest in to help their workers become more productive.

➤ **Prepare youth for success.**

There is not enough emphasis placed on credentials, too few quality work-based learning opportunities, and not enough information provided to help youth prepare for high skilled, high pay work within this labor market.

➤ **Diversify the economy.**

The highest average annual wages are found in the steel industry, which employs a significant percentage of the population. Downturns in the primary industry have repercussions for the overall economic health of the region. Other high demand jobs tend to be much lower paying. The economic base must include more high skill, high pay job opportunities.

➤ **Improve Intermediary systems between workers and employers.**

Schools either do not have or do not communicate clear information about career options, skill requirements, job opportunities, and wages. Employers may not see themselves and their commitment to training as part of the workforce development system for the region. Workforce intermediaries such as the WorkOne Centers are not viewed as a primary resource for all workers and future workers.

Stakeholder Brainstorming

“Stakeholder” groups were immediately formed at the event to address the goals. The groups were led by co-chairs who volunteered to facilitate discussion and brainstorm strategies that they and their colleagues could deploy to move the goals forward. The stakeholder groups were organized around:

- Business and Labor
- Postsecondary Education

- K-12 Education
- Community-Based Organizations
- Economic Development

For each of the four goals, each stakeholder group identified objectives, strategies, the support they would need from other stakeholder groups, and potential resources to support the strategies. Organizing by stakeholder groups had two advantages:

- Group members could speak more freely when they were with their peers and knew other members. Since the initial phase was for brainstorming, it was important that they be able to contribute to the discussion without feeling uncomfortable proposing ideas to people they didn't know, who may not have understood their terminology or legislative/policy/political limitations.
- Moving forward on any goal requires commitment by more than one or two members of a stakeholder community. Everyone recognizes the need for partnership between education and industry, but partnership between one or two educators with one or two businesses in unrelated projects is unlikely to ever reach the scale necessary to "prepare youth for success." It is difficult for an educator to sit in a mixed group and commit the education community to any action. Individual objectives and strategies need the support of a significant number of the stakeholder group if they are to actually happen. By first agreeing with their peers on what they thought was feasible, stakeholder members could later move into teams of mixed stakeholders confident about what they were supporting.

The groups met multiple times to ensure they had ample opportunity to refine their input. Their work was then organized into a matrix that consolidated the efforts of all the groups under each goal. In several cases, two groups had independently arrived at the same or similar objective and had identified each other as necessary partners for success. The matrix allowed them to see their shared vision.

Goal Team Development

Upon completion of the stakeholder brainstorming, the community leaders were reorganized into four teams based around the four major goal areas. Many of the former group participants continued their role on goal teams, but new members were added as well.

Co-leaders were again identified for each team. The Corporation for a Skilled Workforce facilitated co-leader development in June of 2002 to prepare them for their charge. The training covered:

- Team expectations;
- Review of the vision, purpose, and work products/tasks to be accomplished;
- Discussion of how work would be accomplished, including staff support and frequency of meetings;

- Presentation of the matrix of consolidated objectives from the stakeholder groups;
- Orientation to the concept of a “balanced portfolio” of objectives.

The next step: turning strategic planning into action planning.

Phase Three: Community Action Planning

The goal teams met several times between June and October, 2002 to develop an action plan for each objective. The action plans included:

- What to Do
- How to Do It
- Who Will Do It
- When Will It Be Done
- Performance Indicator.

Goal Team One: Increase the Skills of the Current Workforce

Objective 1: Increase skill level of the incumbent worker

- ◆ The team plans to involve stakeholders in each county, the two Workforce Investment Boards in the region, qualified assessors, and training intermediaries in carrying out the action for this objective.
- ◆ Tools such as Work Keys and KeyTrain will be used to assess and train incumbent workers.
- ◆ By July of 2003, the team and its supporting partners will have identified skills needed by workers in three select manufacturers in each county and disseminated the needed skill-set information to the community. Assessment will begin in July, and on-going skills gap training will commence in September, 2003.

Objective 2: Increase skill level of the entry-level worker

- ◆ The same supporting partners and tools will be applied to the objective for entry-level workers as well.
- ◆ By July of 2003, WorkOne Centers and Express sites will begin assessing entry level applicants for the skills needed by key manufacturers in the region, with skills gap training beginning in September.

Goal Team Two: Prepare Youth for Success

Objective 1: Ensure that students entering high school have a career education plan/objective which includes an assessment of their strengths and their need for growth areas.

- ◆ This long-term objective will require the cooperation of building principals, teachers, counselors, PTA, chambers of commerce, city councils, business owners, parents, community-based organizations, and others.

- ◆ By spring of 2004, the team plans to ensure each 9th grade student completes a written Career Plan/Objective; incorporate a Work Ethics component into the report card grading system; establish an adult model for work ethics; establish a Workforce Academy charged with providing schools accurate information about the skills necessary to be successful; and increasing the opportunities for students to come into contact with the “World of Work.”

Objective 2: Increase the percentage of high school students in each county who participate in work-based learning experiences.

- ◆ Most tasks associated with this objective will require a professional coordinator of professional services, who might be overseen by a Workforce Investment Board, Northwest Indiana forum, or members of the strategic planning committee.
- ◆ By the summer of 2003, the team will have assessed the opportunities that are available to students; developed marketing material directed to business and industry and increased company awareness of work-based learning; developed information for schools and superintendents; made connections between the business community and educators; and increased parent/student awareness of the importance of work-based learning.

Objective 5: Increase the percent of students in service learning activities.

- ◆ The team plans to build upon and expand e-Camp and entrepreneur programs in the schools to increase the number of participating schools annually.
- ◆ A Youth Council is envisioned for each town beginning in 2003 for youth age 13-18, and a Leadership Camp is planned for youth 14-18 in the summers. These latter two initiatives are new projects and will require further work prior to implementation.

Goal Team Three: Diversify the Economy

Objective 1: Increase cooperative relationships among employers.

- The goal team identified subcommittees, the Department of Workforce Development, staff support, and employers as partners in reaching the objective.
- The team plans to discover common skill needs among manufacturing companies through surveying and use that information to create regional skill alliances by May of 2003. By fall, common training programs, providers, and facilities will be identified and training programs developed by the end of the year. Actual training of workers would commence early in 2004.

Objective 2: Increase the number of jobs in target industries for diversification.

- The Workforce Investment Boards for the region (Center of Workforce Innovations and Lake County Integrated Services Delivery Board), economic development professionals, educators, elected officials, and other stakeholders will be necessary partners if this objective is to be achieved.

- The team hopes to create 7,500 new jobs within 12 months in industry sectors that meet criteria for growth and wage levels.
- A business plan will be developed for attracting targeted companies within industry clusters as well as a retention/expansion plan for existing companies that contribute to diversification. An index will be developed to measure changes in employment within the top five industry clusters.

Objective 3A: Maximize the immediate availability of potential sites - Update and use database of potential sites.

- In addition to key stakeholders and team members, the team identified specific individuals with NIPSCO and WorkOne who are needed to help implement the action steps.
- By June of 2003, the team plans to review and modify the current database; create and fill a position for a Regional Site Database Technician; market the database electronically and through presentations; and create reciprocal relationship between communities and regional partners when marketing sites to prospects.

Objective 3: Maximize the immediate availability of potential sites - Assist in the reduction of time it takes to have a site ready.

- With the assistance of NIPSCO, the team intends to develop an online local resource guide template to simplify the expansion/relocation site process by February of 2003.

Goal Team Four: Improve Intermediary systems between workers and employers

Objective 1: Increase career ladders.

- Partners required to support this objective include WorkOne operators and CWI
- By May of 2003, the team intends to utilize career ladder templates from California or construct their own templates; develop a career ladder page to link to existing WorkOne websites; and provide educational information related to the career ladders to individuals.

Objective 2: Increase employment of underutilized population.

- With the assistance of WorkOne, libraries, universities, tech centers, and community-based and faith-based organizations, the team intends to disseminate career ladder information to low-end income level and no-income level populations beginning in March of 2003.

Phase Four: Implementation and On-Going Planning

Developing workforce intelligence about a region doesn't stop with publication of a data profile, just as strategic action planning doesn't stop with publication of objectives and timelines. Community change is dynamic and evolutionary. A "plan" is merely a freeze-frame in the on-going story of a region. Plans are good for assessing the present condition, determining necessary trade-offs in scope and focus, and forcing people to think about consequences, but they are not the vehicle by which change occurs. The objectives identified by the goal teams are the short-term wins that begin to define a new way of thinking and acting on a regional basis. The teams themselves are the start of an infrastructure that supports wide participation to make change possible.

The teams understand that even while they implement their action steps, the work of gathering information and engaging additional stakeholders must continue. What they learn from those efforts will shape their future work into a updated or revised "freeze-frame."

Additional workforce intelligence gathering and engagement activities that have been or will be in progress include:

- Surveying commuters on the South Shore to get a sense of the skills that are leaving Northwest Indiana everyday for deployment in Illinois' businesses and industry.
- Exploring the training investments being made in local government agencies to understand how top leadership "walks the talk" in developing their own workforces.
- Interviewing educators at the secondary and postsecondary level to determine how they address the skill and knowledge needs of Northwest Indiana economy in teaching, assessment, and certification of skill mastery.
- Targeting top industry clusters and the occupations that drive wages and skills in those clusters.
- Interviewing employers within the targeted clusters to determine what they need to stay and grow in Northwest Indiana.

Initially, economic developers from across the seven counties identified Engineering, Accounting, Research, and Management; Industrial Machinery; Air Transportation; Plastics; and Amusement and Recreation Services as the target sectors based on initial information about size, growth rates, and wages, coupled with their own knowledge about current events, desired sectors, and competitive advantages compared to other regions. The in-depth analysis produced some surprises. The top occupations in plastics were found to be low in skill and knowledge requirements, which is inconsistent with the goals of the region. Air Transportation, while having relatively high skill and knowledge requirements, was determined to be too small in the region to

develop sufficiently to impact the regional economy. Current thinking is to replace Air Transportation and Plastics with Health Care and Logistics/Distribution.

Northwest Indiana Compact

Sustaining action planning and implementation is a tall order. It requires commitment not only from the Center of Workforce Innovations and Lake County Integrated Services Delivery Board, but also from the community groups who were identified by the goal teams as necessary to accomplish the objectives. A Northwest Indiana Compact will serve to:

- Articulate the shared vision for the region.
- Outline the unifying principles that guide this collaborative work.
- Describe what each party brings to the communal table.

Northwest Indiana Workforce Compact

Vision

Northwest Indiana will have a current workforce that is diverse and skilled to meet today's and tomorrow's needs in a competitive economic environment, and will develop its future workforce by ensuring all youth are prepared for further education, training, and work. Employers, workers, and youth will be served by a public/private system that is high performance, accountable, efficient, and rich in the information that the citizens of Northwest Indiana need to make good decisions about themselves and their work or business.

Mission

The Northwest Indiana Compact, through a coalition of business, education, labor, non-profits, community and government offers support to our business and industry, workers, youth, and education and training institutions to help communities realize the vision, goals, and objectives for the region.

Guiding Principles

➤ **Commitment to the compact.**

Signatories to the compact agree to fulfill their commitments for on-going participation in both planning and acting.

➤ **Commitment to each other.**

The success or failure of one affects the success or failure of all. Commitment to each other includes:

- ◆ Open and honest communication
- ◆ Respect for each others' time
- ◆ Respect for each others' perceptions and opinions
- ◆ Willingness to work toward consensus – or to agree to disagree and move forward
- ◆ Inclusion rather than exclusion from meetings, events, and information sharing
- ◆ Prompt and complete response to requests for information
- ◆ Willingness to find ways to make things work rather than identifying obstacles
- ◆ Sharing of credit for success
- ◆ Sharing of accountability when there is less than full success.

➤ **Commitment to the region.**

The seven counties of Northwest Indiana comprise a labor market. Our fortunes rise and fall together. We are committed to regional thinking and acting that recognizes our interdependence and the need to ensure prosperity across the entire area while supporting the unique aspects of our various locations.

➤ **Commitment to our businesses, workers, and youth.**

The ultimate benefactors of our joint efforts are the businesses, workers, and youth of Northwest Indiana. We are successful when they are successful.

My organizational commitment:

My individual commitment:

Signature_____

Organization/Agency/Business/School_____