



THE NATIONAL ASSOCIATION OF STATE WORKFORCE BOARD CHAIRS

THE EXPANDING ROLE OF WORKFORCE DEVELOPMENT: BUILDING A WORKFORCE SYSTEM FROM ENTRY-LEVEL TO HIGH-TECH

AUGUST 5-8, 2007
RADISSON PLAZA HOTEL, MINNEAPOLIS, MN

----- MEETING SUMMARY -----

Monday, August 6th, 2007

Welcome to the 2007 Annual Meeting and Introductions

Charlie Ware, Chair, WY & Association welcomed members to the Annual 2007 meeting with *Cynthia Leshner, Chair, MN* and *Martin Simon, Program Director, Workforce Development, National Governors Association, Center for Best Practices.*

Legislative Update/Open Q&A

Joan Wodiska, Director, Education, Early Childhood & Workforce Committee, NGA provided a detailed update on federal legislation, including NGA's positions and a summary of Charlie Ware's testimony to Congress on the Workforce Investment Act, as well as what the Governors have been doing on workforce issues. She also described the *Innovation America* legislative proposal, which complements the existing work already done by Congress, while defining a clear role on what Congress and the Administration need to focus on in education, workforce development, and economic development, and helps states to develop collaborative efforts between public, private, and education sectors. Joan then illustrated the NGA-NASWA-Chairs recommendations for the reauthorization of the Workforce Investment Act, which establishes four core principles that governors believe must be central to the WIA reauthorization: (1) enhance program coordination and flexibility; (2) align workforce, education, and economic development needs and strengths; (3) improve training services; and (4) reduce administrative costs.

Finally, Joan explained the proposed \$335 million rescission in the House Labor-HHS-Education Appropriations bill. In a memo to Labor-HHS-Education staff, NGA voiced concern over the rescission, explaining to staff that states need the current flexibility to carry forward WIA funds from year to year in order to provide training and promote responsible fiscal management of funds. The proposed rescission alters the period in which states have to spend funds, and is a fundamental change to WIA that should not happen in an appropriations bill. NGA also reiterated the position that Congress should work to clarify terminology regarding carry forward and obligations to help eliminate inaccurate and uniformed claims that states have "unspent WIA funds."

Access Charlie Ware’s testimony and a complete legislative summary by clicking on the links below:

[Washington Update Summary](#)

[Testimony of Charles Ware](#)

Workshop: Variations in Policies, Structures and Practices Across State Workforce

Systems – *Lindsey Woolsey, Consultant, NGA Center for Best Practices* provided an overview of the results of a 27-state survey. The survey respondents addressed a series of questions in 4 categories: 1) State Board Structure and Authority; 2) Interaction of State Board with LWIBs; 3) Alignment of Workforce Development Programs with Economic Development and Education; and 4) Performance Measurement. Results are documented in a Synopsis of State Responses, as well as 4 individual matrices for each of the above categories.

Please click on the links below to view the corresponding documents:

[Synopsis Matrix of State Responses](#)

[Matrix I – State Board Structure and Authority](#)

[Matrix II – Interaction of State Board with LWIBs](#)

[Matrix III – Alignment of Workforce Development Programs with Economic Development and Education](#)

[Matrix IV – Performance Measurement](#)

Separate Chairs and Staff Directors Mini-Retreats

In separate mini-retreats, the Chairs and Staff Directors discussed challenges, implications of system structures, and promising practices.

<i>Summary of Workforce Board Chairs Discussion (not in priority order)</i>	
Workforce System Challenges:	Board Best Practices:
<ul style="list-style-type: none"> ▪ Low wages in retail and tourism ▪ How to meet the diverse needs of the workforce ▪ Need to better match surpluses and shortages ▪ Finding and connecting with out of school youth ▪ Skill shortages ▪ Sustainability of existing initiatives; keeping positive trends going ▪ Greater flexibility ▪ Labor shortages ▪ Tap into entrepreneurial talent ▪ Responsible parenting ▪ Growing income gaps and low-wage jobs ▪ Education ▪ Family Literacy; proper support system ▪ Connections between the Education and Workforce systems ▪ Misalignment between Workforce and Economic Development ▪ Time required for remediation ▪ University versus college preparation (different skills, curriculum corresponding to each) ▪ Role of parents 	<ul style="list-style-type: none"> ▪ Regional Boards present on work ▪ Statewide partnership held annually ▪ Local Boards develop strong relationships with members of Congress ▪ Attendance at annual meeting of NAWB ▪ Fee-based services and going after grant money ▪ Different industry groups talk to Board ▪ Baldrige Initiative (@ state Board level) ▪ Keep Board active by giving members real work to do and call to action ▪ Different state agencies attend Board meetings ▪ Composition and charter of Board ▪ Rotating chairmanship every 2 years ▪ Advocacy for local WIBS ▪ Orientations for new members and retreats ▪ Branding and marketing campaign for Board ▪ Building relationships with local Boards, especially re: strategic plan ▪ Reconfiguring governance system (eliminate silos) ▪ Re-engage business community ▪ Monthly Executive Leadership meeting to compare activities against strategic plan

<ul style="list-style-type: none"> ▪ Dislocated workers <ul style="list-style-type: none"> ○ Funding ▪ Changing work ethic ▪ Marketing to and educating the business community about how workforce system can help ▪ Changing misperceptions about the workforce system (i.e., focused on individual customers/workers), not responsive to business) ▪ Changing economy ▪ Communication/coordination among different service providers ▪ Aging workforce ▪ Immigration ▪ Multiple participants in the workforce process ▪ Housing shortages ▪ Affordable housing, sufficient transportation, available child care ▪ Need to diversify state economies—heavy reliance on one or two key industries ▪ Losing/preparing youth—need to improve graduation rates and keep kids in school 	<ul style="list-style-type: none"> ▪ Once monthly phone calls to each Board member ▪ Standing and ad hoc committees relate activities to annual plan ▪ LMI-related committee ▪ Forecasting occupational needs—bring school counselors and higher education into this conversation ▪ Better information to students about demand occupations ▪ Better use of technology (i.e., mentor program) ▪ Career Readiness Certificate ▪ Develop certification around career guidance—Career Keys to reveal aptitudes ▪ One Stops counsel students in high schools about careers ▪ Marketing/preparing available employment data ▪ Broaden apprenticeship model to other occupations (increases collaboration between workforce and business issues with the systems) ▪ Registered apprenticeship ▪ Externship program for teachers to see business world ▪ Overnight Board meetings to build rapport, connectivity ▪ Use of Governor’s plane to fly in board members from around the state to ensure attendance by cutting down on travel time ▪ High school grads receive tuition to a two-year college ▪ Work readiness certificates for <i>communities and regions</i>
<p>Elements of a Successful Board</p>	<p>Elements of a Successful System</p>
<ul style="list-style-type: none"> ▪ Board and staff working together ▪ Earned respect of workforce community ▪ Shared vision of common good placed above self-interest ▪ Assist in the participation of all members of committee ▪ Substantial relationship with Governor’s office ▪ Correct personnel (competent and dedicated staff) ▪ All stakeholders committed and at the table ▪ Good relationship among members ▪ Good communication and collaboration among stakeholders ▪ Passion for the mission ▪ Goals and benchmarks ▪ Strong leadership (i.e., Chair) ▪ Well-defined purpose or mission ▪ Mutual respect; respecting others’ opinions even in the face of disagreement ▪ Demand-driven, with private sector involvement ▪ Business-led by state’s top CEOs ▪ Plan and act strategically based on vision ▪ Innovation and willingness to change ▪ Creating actionable strategic plans ▪ System for recruiting and training new members ▪ Following good Board membership protocol—support the will of the majority, etc. ▪ Available funding 	<ul style="list-style-type: none"> ▪ Clearly defined goals and strategies ▪ A customer and demand-driven focus ▪ Governor and legislature support ▪ All partners are at the table ▪ Concise and consistent measurement of system success ▪ Clear and shared vision ▪ Private sector participation (board partnerships) ▪ Integration of workforce development, education and economic development ▪ Good people – leadership and staff (knowledgeable and connected) ▪ Education – effective and aligned with workforce development ▪ Access to market data ▪ Facilitating partnerships ▪ Lower dropout rates ▪ Use of technology ▪ Continuous improvement practices ▪ Good image ▪ Have increasing per capita income as a goal ▪ Educates others about the value of the system ▪ Getting appropriate training ▪ Acting beyond the restrictions of statutes and regulations ▪ Adequate funding beyond to carry out the mission ▪ National commitment ▪ Integration of resources ▪ World-class facilities

<ul style="list-style-type: none"> ▪ Board is approachable ▪ Board members are good at networking 	
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Summary of Staff Directors Discussion (not in priority order)	
Workforce System Challenges:	Addressing the Challenges, examples of best practices:
<ul style="list-style-type: none"> ▪ Education and skills gap between workers and available and future jobs ▪ Making use of workers we have in our state now ▪ Bringing state Legislature up to speed ▪ Thinking and being strategic ▪ Getting all partners and staff on the same page ▪ Getting Department of Education to understand employment-based training ▪ Being responsive (in time) ▪ Increasing clout and visibility of Board ▪ Brain Drain (great schools and universities, but students leave after graduation) ▪ Globalization ▪ Balancing long-term and short-term skills needs ▪ Transportation ▪ Housing ▪ Negative Perception of Government ▪ Colorado Paradox: not growing our own skilled workforce; recruiting from other states ▪ Changing public’s perspective of education and culture of learning ▪ Getting Board out of Government ▪ Creating and implementing a statewide strategy ▪ Engaging locals in statewide strategy ▪ Aligning work with new administration ▪ Career promotion to public ▪ Need people ▪ Being able to trust that education is truly at the table ▪ Strategic planning and reorganization – getting past turf and trust issues ▪ Community Colleges to act in a new and different way ▪ Communicating with public and business ▪ Articulation of who speaks for the system (the system’s needs and reasons) ▪ The pipeline (recruiting and retaining) ▪ Diversification (dependence on single sector) ▪ Aging Workforce ▪ 	<ul style="list-style-type: none"> ▪ Forgivable loans for college students if stay in state ▪ Use a Business Plan (See Oregon Business Plan) to improve alignment and increase clout of Board ▪ WIRED or similar regional sectoral initiatives that pull partners together in strategic way ▪ Bottom-level integration and re-design (vs. consolidation) ▪ In Georgia, HOPE scholarships (lottery \$ pay for 2- or 4-year degrees for any high school student with 3.0 GPA or higher) and HOPE grant (pays for certificate programs in technical colleges); similar programs include MI No Worker Left Behind, WI Covenant, WY Hathaway, OK Promise, and MI A+ programs. ▪ Private sector speaking on behalf of system ▪ Thorough engagement of Governor ▪ Frame message that matters to both Governor and Business vs. staying stuck in stereotypes of who workforce system serves (i.e. not just about the unemployed) ▪ Marketing plan for Board ▪ Pay for staff from partners to come to the table ▪ What’s in it for them? Answer this question. ▪ Sector or industry-targeted approaches strategically align partners ▪ Trend analysis of economic regions, and development of relevant career pathway programs in top sectors ▪ Identify demand as a joint effort across systems so all have a stake in change ▪ Workforce Development Month including poster sessions by LWIBs to legislators ▪ Validation event to unveil new strategic plan ▪ Designated media relations person ▪ Always invite the Governor to key events: gets him/her engaged + media opportunity ▪ Scan of “Influence Organizations” ▪ Make an “off the wall” annual report that legislators will love ▪ Require local WIBs to submit anecdotal success stories monthly; use them for Op Eds or send to local papers regularly ▪ Board members time counts toward their pension (MA) ▪ Council is paid for by interagency support ▪ Get legislative mandate for partners to coordinate ▪ Respond to a crisis (it gets people to the table which can lead to ongoing relationship) ▪ Use media relations (vs. typical marketing): it increases visibility of workforce system, corrects misperceptions of industry

	<ul style="list-style-type: none"> Annual Workforce Solutions Summit + regional forums + \$25K grants to local WIBs to implement innovative solutions
Elements of a Successful Board	Elements of a Successful System
<ul style="list-style-type: none"> Issue focus (vs. program focus) Influence over resource allocation Articulate vision Be willing to take some risks Be pro-active, not reactive Balance short- and long-term goals Be able to say no; prioritize Be able to effectively build relationships Test relevancy Speak plainly Communication/marketing/media plan (as 3 distinct pieces aligned together) 	<ul style="list-style-type: none"> Effective Leadership Data driven Consistent and clear internal communication Role clarification (Board, Agency, Partners) Sufficient resources Response to crisis (real ability to respond) Flexibility and nimbleness Be clear about customers Define problems clearly Shared vision/philosophy across partner systems Demand driven Be able to build relationships Communication/marketing/media plan (as 3 distinct pieces aligned together)

Tuesday, August 7th, 2007

Key Issues and Sharing from Mini-Retreats

This session began with a comparison of the “Top Five” elements that make a Board and System successful, prioritized separately by the Chairs and the Staff Directors during the previous day’s Mini-Retreat sessions. Members were pleased to see more similarities than differences between the Chairs Top 5 lists and the Staff Directors’ Top 5 lists. Members discussed that the clout and visibility of a Board is more important than structural barriers within the system, and that the Board is responsible for designing policies and initiatives that are “bigger than WIA.” The Top 5 Elements are listed below:

DIRECTORS' TOP 5	<p>Top 5 Elements of a Successful Board:</p> <ol style="list-style-type: none"> Being able to effectively build relationships Articulate a vision Define problem and be issue-focused (not program-focused) Be proactive, not reactive Influence over resource allocation 	<p>Top 5 Elements of a Successful System:</p> <ol style="list-style-type: none"> Effective Leadership Data driven Being clear about customer Shared vision and philosophy across partner systems Communication/marketing/media plan (as 3 distinct pieces aligned together)
CHAIRS' TOP 5	<p>Top 5 Elements of a Successful Board:</p> <ol style="list-style-type: none"> Well-defined purpose or mission Plan and act strategically based on mission Passion for the mission Good communication and collaboration among stakeholders Correct personnel (competent and dedicated staff) 	<p>Top 5 Elements of a Successful System:</p> <ol style="list-style-type: none"> Clearly defined goals and strategies A customer and demand driven focus Governor and legislature support All partners are at the table Concise and consistent measurement of system success

Town Hall: Getting Strategic about Workforce System-Building

Mark Schultz, National Association of Workforce Boards

Andy Van Kleunen, The Workforce Alliance

Karen Elzey, U.S. Chamber of Commerce, Institute for Competitive Workforce

Stacy Wagner, National Association of Manufacturers

Moderator: Larry Good, Corporation for a Skilled Workforce

“It's not 1998 anymore!” The needs of industry and workers have changed since the original intentions of the Workforce Investment Act, and state systems have evolved in response. Globalization, technology and communication has changed the way industry and the public sector do business. What are these changes? What's working and what's not? What will it take for today's industries to stay competitive, and how can states ensure that their workers are advancing in the labor market? This session addressed these questions, relying on insights from national workforce leaders and on your state experiences.

Brief Summary/Panelists' Key Points

Much has changed in the decade since the Workforce Investment Act passed. What is different about today's workforce, and what is different about the specific demands by employers on their workers that affects how we do business?

- There's a need for higher literacy levels among workers, and many immigrants in the manufacturing workforce need better access to English language courses, instead of employers being responsible for sponsoring these types of classes.
- The training issue is much more a part of the conversation now in terms of moving people into work, and competitiveness is a key focus of the conversation now, with a shift in focus to high skilled jobs and less on jobs and job seekers “in the middle.”
- There was discussion about shortages in fields related to career and technical education and about the need to train individuals to keep up with increasing skills demands. Karen Elzey also emphasized that employability or soft skills are vital and more important in some ways than the technical skills.

What is the reality: are the numbers of jobs in the middle really shrinking? What's the workforce policy solution?

- Andy Van Kleunen suggested that it is not an hourglass economy, especially when you look within industries.
- There was also considerable discussion around the fact that today's middle class jobs require a 2-year, rather than a 4-year degree, but this concept is difficult to sell to the American public. Further, the panelists recommended that K-12 education needs to be re-aligned in keeping with this new reality.

There seem to be two operating paradigms: (1) that a high school diploma is sufficient for many jobs; and (2) that a 4-year degree is the only way to go. How do you promote a culture change in favor of two-year degrees?

- Both the Workforce Alliance and the National Association of Manufacturers have launched outreach campaigns to promote the need and importance of 2-year degrees.

- Karen Elzey talked about the results of an employer survey revealing employer frustrations about their inability to effect change in the educational system.

To what extent is this message [re: aligning workforce needs with curriculum] penetrating communities and even families?

- Stacy Wagner discussed the “Dream It, Do It” campaign as an example of success in promoting educational change at the community level, as well as the role of the “Fund for Workforce Solutions” effort in supporting this kind of change.
- Andy Van Kleunen and Mark Schultz mentioned the role of the WIBs and the workforce investment system generally in supporting and promoting alignment between the educational system workforce needs.
- *Pat Hudson from South Carolina closed the session by noting that literacy skills must continue to be addressed, as well as more emphasis on skilled jobs in the middle. He summarized the panelists’ remarks by reminding listeners about the high value of 2-year degrees, as well as business advocacy. He also remarked on the insufficiencies of the K-12 educational system and the need for changes within it to occur locally.*

Please click [here](#) for a more detailed summary of the Town Hall Session.

Minnesota’s Integrated Efforts to Advance Families in Poverty

Speakers:

State Senator John Marty (D), Co-Chair, Commission to End Poverty

State Representative Carlos Mariani (D), Co-Chair, Commission to End Poverty

Brenda Norman, Director, MN Governor’s Workforce Development Council

Brenda Norman framed the discussion for the session. Many individuals have difficulty leaving welfare on a permanent basis or achieving the level of economic self-sufficiency that our public systems often demand. In fact, we know that many families continue to live in poverty despite working full time. Minnesota is not alone when it comes to state leaders making policy recommendations to promote skills acquisition to end family poverty and support economic growth. Such efforts include Bridge programs that offer basic education remediation integrated with occupational skills training. Post-employment supports also are gaining ground. But efforts still are not at the scale necessary to alleviate the challenges. This panel explored the premise and implications for the MN State Legislature’s Commission to End Poverty. A synopsis is below. Relevant publications include:

State Strategies for Improving the Employment Outcomes of TANF and Low-Income Families, NGA Issue Brief – <http://www.nga.org/Files/pdf/0706IMPROVINGTANF.PDF>

Strengthening State Policies to Increase Education and Skills of Low-Wage Workers – <http://www.workingpoorfamilies.org/>

Senator Marty and Representative Mariani presented the background and goals for Minnesota’s new Commission to End Poverty, an ambitious initiative established to end poverty in the state by 2020. The Commission will undertake an investigation that will involve direct engagement with the community, families in poverty, and stakeholders. This will culminate in a set of recommendations for the Legislature in 2009. A critical piece of the analysis and the

recommendations will include skills development and the necessary supports for individuals to transition to work. From the micro-economic point of view, job training is the way out of poverty. But we must balance this with the macro-economic point of view, which tells us that we cannot train everyone to be an engineer, for example. We must look at the big picture: we need relevant workforce development, we need updated living wages based on today's cost of living, and we need to find ways to support the basic American social compact – if someone is working full time, they should have enough to survive.

Q&A between participants and the panel included:

- What was the genesis of the Commission? *Response:* Legislators followed the lead of the public and community. The faith-based community was a strong influence, and disturbing trends of increasing child and minority poverty were important factors in the decision to act.
- How will you know you've succeeded in 2020? *Response:* When poverty is gone. Realistically, this is something still to be determined, and we hope to create benchmarks during our investigative stage.
- How will you build in the industry/employer voice into the investigative research stage? *Response:* We will look to our industry clusters for some answers, and will look into the organized labor community. Panelists admitted a bias toward the population under study, and less toward the private sector voice. But in reality, the long term goal is a sustainable economy.
- What has Minnesota learned from the war on poverty since the 1960's? *Response:* Work must be rewarded and rewarding. We must make sure that people can stay employed, which might mean supports to cover basic needs like childcare, transportation, sick days, etc). This will require a mix of public and private resources to meet the “enough to succeed” threshold. We have not had this conversation as a state or as a country. It must be more than a subsidy, more than just tinkering with current laws. Charlie Ware highlighted Wyoming's “Our Families, Our Future” program highlighted as an example of what it takes to support individuals. The program transitions low-skilled single mothers to high-paying jobs, and relies on comprehensive supports including healthcare, mental health counseling, childcare, budgeting classes, and other supports.

Short Course: Gaining Influence – Accessing your Governor and Getting Congress's Ear
Larry Good, Chairman, Corporation for a Skilled Workforce

This session addressed common questions about how to build and leverage influence at the state and national decision-making level. Members discussed why building influence is important, why it's a challenge, and what it looks like when it's working. Members also agreed that there are inherent dangers in *not* working with the Governor's office and legislators, including the risk that laws will be passed without input, and the fact that federal money will continue to decrease (but state money in many states is increasing). Members also agreed that you know it's working when “they call you” and when you're talking about “big picture” issues. The following strategies for engagement were highlighted as successful:

<p><i>To Access State Legislators:</i></p> <ul style="list-style-type: none"> ▪ Find out who your legislators listen to; 	<p><i>To Access U.S. Congress:</i></p> <ul style="list-style-type: none"> ▪ Know key staff members; ▪ Make personal calls; 	<p><i>To Access Governor:</i></p> <ul style="list-style-type: none"> ▪ Connect to the Governor's scheduler, and let them know
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<ul style="list-style-type: none"> ▪ Visit them in home district, not just when you're in capital; ▪ Be a part of the political process. Be active; ▪ Get legislators on board, but balance this with relationship with Governor; ▪ Know and tap into the "Interim Committee" topics if state has a part-time legislature; ▪ Hold Board meetings around the state, and invite local representatives; and ▪ Study the "Master Study" list, and use topics as leverage points for discussion. 	<ul style="list-style-type: none"> ▪ Email – House members: firstname.lastname@mail.house.gov; Senate members: firstname_lastname@senator'sname.senate.gov ▪ Use NGA Legislative staff for access (Beth Strobridge and Joan Wodiska). 	<p>that you will not abuse your connections;</p> <ul style="list-style-type: none"> ▪ Be willing to take some risks (e.g. Just invite them to that event); ▪ Identify when you may have some un-interrupted time with staff and/or Gov; ▪ Do not waste their time. Be judicious with time; ▪ Find allies and work with them; Build relationships with chief of Staff; ▪ Choose issue of high enough importance, and work with Chief of Staff to understand/agree on the issue; ▪ Know and follow the process to get into the State of the State Address; Even if does not work, the process raises the visibility of Board and the workforce issues, and it builds a relationship with the Governor's office.
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Wednesday, August 8th, 2006

Working Groups – This segment included a set of breakouts on specific topics. The topics were decided by members during the meeting, to further discuss specific issues common across states. Below are the summary notes of each of the five sessions.

Topic 1: Re-imagining Partnerships – Members addressed the following:

<p>What are the critical partnerships?</p> <ul style="list-style-type: none"> ▪ Industries and employers ▪ Education (Secondary, Post-Secondary) ▪ Labor ▪ Vocational Rehabilitation ▪ Leadership: Governor/Legislature ▪ Trade Associations: Local and National ▪ Chambers of Commerce/ Business Councils ▪ Industry Sector Partnerships (clusters, regional partnerships, etc) ▪ U.S. Dept of Labor 	<p>Why is building partnerships critical?</p> <ul style="list-style-type: none"> ▪ Political leverage (power) ▪ To leverage resources ▪ Silo Buster (no single organization can solve challenges; must be network) ▪ Mutually beneficial (you give, you get) ▪ Improves ability to forecast demand, anticipate requirements, and develop integrated/coordinated response ▪ "Two heads are better than one"
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<ul style="list-style-type: none"> ▪ Proprietary Schools ▪ Community Based Organizations 	
What is the role of the Board? <ul style="list-style-type: none"> ▪ To harness the power of the partnerships ▪ To re-imagine the partnerships, not just implement the Workforce Investment Act ▪ To coordinate and collaborate ▪ To develop overall workforce policy development across all partners: Board must get word to employers, and seek their input 	

Topic 2: Communications and Messaging – Members discussed the following topics:

What is the message? <ul style="list-style-type: none"> ▪ Who we are; What we do ▪ Where we are now, where are we going, how are we getting there 	To whom are we marketing? <ul style="list-style-type: none"> ▪ General public ▪ Partners ▪ Leaders: Legislature, Governor
How do we get the message out? <ul style="list-style-type: none"> ▪ Be clear, simple, consistent – no acronyms ▪ Find their interest, and work your message so it fits their scope, needs, interests ▪ Do not be program-driven or program-centered; Be issue-driven ▪ Use public hearings as a venue 	

Topic 3: Setting up a Responsive System:

Discussion Topics:	Ideas Generated:
<ul style="list-style-type: none"> ▪ How can we set up a system that responds fast enough when opportunity knocks? ▪ How do you balance short- and long-term skill needs? 	<ul style="list-style-type: none"> ▪ Go-to person ▪ Network ▪ Know data ▪ Rapid response team ▪ Individuals see opportunities ▪ Private sector value to Board ▪ Must have value in your response ▪ One account rep ▪ Money to seize opportunity ▪ Short-term is 6 months to one year ▪ Short-term = Gov. ▪ Long-term best for state ▪ Short-term goals based on long-term goals

Topic 4: How We Use Data:

Discussion Topics:	Ideas Generated:
<ul style="list-style-type: none"> ▪ How can we better use existing data? ▪ Who's using the data? 	<ul style="list-style-type: none"> ▪ “If you don't have the data to back you up, you're just another person with an opinion.” ▪ Use of data for performance (different from compliance) ▪ Use of LMI to identify high-skill, high-wage jobs, also high demand ▪ Problems with traditional ways of measuring (e.g., capturing workers holding multiple jobs) ▪ Ways of gathering good supply data and ways to report it

<ul style="list-style-type: none"> ▪ Is the data reliable? How do we make sure? 	<ul style="list-style-type: none"> ▪ Need for aggregate indicators ▪ How to make data meaningful and applicable ▪ Data used to demonstrate responsiveness to employers ▪ How does existing data highlight other data needs, e.g., people who don't get jobs?
<ul style="list-style-type: none"> ▪ What are the best sources of data? 	<ul style="list-style-type: none"> ▪ Using employer surveys to validate primary data ▪ How do you reconcile LMI results and employer perceptions? Sometimes additional data collection is necessary. ▪ Restrictions on data collection because of privacy issues, particularly in rural areas. ▪ Problem of LMI data not being real-time—need for other sources/providers of data ▪ Dedicated work groups to collect data on specific industries/occupations (e.g., healthcare) ▪ Primary data validated by end user ▪ Have not solved the problem of aggregating pipeline data ▪ Present data that meets customer needs ▪ How does existing data highlight other data needs? ▪ Validation of differences in data sets ▪ Use for specific needs—meaningful and useful

Topic 5: The Role of the Board in Addressing Education Issues

Discussion Topics:	Key Points:
<ul style="list-style-type: none"> ▪ What's our role? ▪ What's at stake? ▪ What are our points of leverage? ▪ Are they just a partner at the table, or is it something more? 	<ul style="list-style-type: none"> ▪ Education must have seat(s) on the Board. ▪ When the state plan for Perkins is being developed, be part of the conversation. ▪ It's important to be able to actually identify the number of dropouts and who they are (state mandate report out to research group). ▪ It's important to send a message to education stakeholders on skills that are needed to enter training and jobs .

Innovation, Innovation, Innovation – What does it really mean for Workforce Development at the State level?

Chris Hayter, Program Director, Economic Development, NGA Center

This section presents a synopsis of Chris Hayter's talking points. Relevant publications include:

Innovation America: A Compact for Post-Secondary Education – <http://www.nga.org/Files/pdf/0707INNOVATIONPOSTSEC.PDF>

Innovation America: A Final Report – <http://www.nga.org/Files/pdf/0707INNOVATIONFINAL.PDF>

Each year the NGA's new Chair chooses an initiative that he or she feels is important to and represents the interests of all the governors. The past year, Governor Napolitano chose to focus her initiative on Innovation. Specifically, the Initiative and its follow-on activities focused on:

- Improving Science, Technology, Engineering, and Math education at a K-12 level;

- Improving state-wide policy frameworks, such as cluster strategies, investment funds, and other mechanisms to support innovation;
- Aligning postsecondary education with the workforce and innovation needs of the state and its regions.

The initiative was and is a sustained effort to re-direct many very important missions of the state – K-12 education, policy, postsecondary education, and policy – with a sustained focus on supporting innovation. So what is this innovation and why is it important? Anyone who has had an economics course knows that economic development is dependent on:

1. Growth of the labor force
2. Accumulation of capital.
3. Productivity through new discovery and invention – what many now call innovation

There are two main kinds of innovation:

- Product innovation – what the labor and capital produce (IPods, Lexuses, and running shoes)
- Structural innovation – how labor and capital are put together to produce wealth (new business models – EBay, Wal-Mart, Dell)

Recent reports indicate that we are living in the longest period of sustained economic growth. Economists, like Paul Romer, have helped us understand that this sustained growth is driven by the accumulation of knowledge and its application to new products and new structures. How do companies build up new knowledge? They conduct research, hire smart people, and go out looking for new ideas. How do companies apply new knowledge? They focus on process innovation, continuous improvement, quality principles, and new business models. So what does this mean for workforce development?

Labor force quality is dependent on the contributions of workers to help companies move up the value chain – and this is true at all levels. One of the challenges is that there is an implied assumption that scientists and engineers are the only ones that innovate. The education system reflects this. But we know that our ability to innovate will depend on how well we enable and push our students, our workers to move up the skill and knowledge spectrum as far as possible so they can best contribute to the innovation process. But to do that, requires some major rethinking of our education and workforce systems, which brings us to our next topic: Post-secondary education.

Ideally, postsecondary institutions would build off the operations and philosophies of community colleges: closely tied to the economic needs of the community, flexible, and inexpensive, but incorporate the credential and research capacity of universities.

If we look at current postsecondary education systems, with some exceptions, governors (and states) do not have a good record of success (for change) in their postsecondary systems. Most have little direct influence on their university system, aside from some with authority to appoint governing boards (such as in NC).

We also know that universities are not wealth-generating institutions. But, perhaps, they are one of the most important assets to wealth generation because:

- They are critical to the education and talent pipeline, especially at the high end;
- They are a source of new knowledge – they help solve problems in society;
- Key vehicle for social mobility; and
- Help to create a more educated cultured citizenry.

We know that inputs are needed before you have outputs (tuition, students, R&D funding). The structure, function, and culture (collective attitudes) of these institutions impacts their ability to maximize their role

as an economic asset. It becomes less about technology transfer, and more about institutional innovation, linkages with the right services, and flexibility.

Support from states – even if that means just staying out of the way or deregulating – will mean redefining and reemphasizing their public mission around teaching/up-skilling, research, and outreach and dissemination. For universities to really embrace institutional changes around these three things, economic and workforce development would be a common thread through these areas, or perhaps even a repetitive term. When was the last time that you heard a university “say” that its mission was workforce development?

Finally, in many cases making schools better aligned with the economy depends not just on the schools themselves but also the system in which they operate, including governance structures, regulations under which they operate, and relationships with other state and federal government programs

As an outcome of Governor Napolitano’s Initiative, NGA recommends the concept of a compact that focuses on the alignment of missions across university systems and the workforce and R&D needs of a state. The framework suggests:

- Start with the economic, workforce, and educational strengths and needs of your states and regions;
- Identify the right stakeholders;
- Understand the strengths and needs of colleges and universities;
- Conduct an audit of state policies affecting higher education;
- Articulate goals and a vision that is intimately linked to the needs of the state and its regions; and
- Create a data system for accountability, agree upon metrics.

Why is this relevant to you? The current university systems will not be able to keep up with demand for higher education in the next 30 years, and will it be very good at controlling costs. And while the community college model is important and effective for many reasons, we will need new mechanisms to push students up the innovation value chain. In other words, it’s not only about the top end. It’s also not about the point of entry. It’s also about the middle.

The challenge for you is to think about what a progressive higher skilling/higher education system should look like and how can we get there. Are you aware of what is happening in your state along the lines of higher education reform? What relationships and partnerships could exist? How do we think about this productively, what is your role in a higher education compact? And how do you get to the table.

In review, it is all about innovation, because innovation is about prosperity. Innovation is dependent on maximizing skill and education levels – enabling and pushing our students and workers up the knowledge spectrum. Much of this is dependent on postsecondary education system. You can help governors think about this issue

Business Meeting

At the business meeting, nominations were announced, and members in attendance voted to elect a new Chair and Vice Chair. Charlie Ware announced he would not seek re-election to the Chair position so he could spend more time on Board activities in Wyoming. Pat Hudson, Chair of South Carolina’s Workforce Investment Board, was the only nominee for Chair and was subsequently elected to the position. Lewis Chartock, Chair of the Missouri Workforce Investment Board, and Steve Hendrickson, Chair of Oklahoma’s Workforce Investment Board, were nominated for the Vice Chair position. Steve Hendrickson received the most votes and was elected to the position.

Pat thanked Charlie for his leadership during the past two years and presented him with a gift on behalf of the membership.

Discussions and a vote were also held to determine where the summer 2008 meeting would be held. Arkansas, Hawaii, Pennsylvania and Puerto Rico offered to host the next summer meeting. The vote among attendees determined that the next summer meeting would be held in Pennsylvania. In addition, meeting attendees decided tentatively that the 2009 summer meeting would be held in Puerto Rico. Martin Simon explained that Chairs meetings held outside the U.S. must first be approved by the executive director of the NGA.

The group also decided that the next winter meeting would be held February 22-24, 2008, overlapping in part with NGA's Winter Meeting and the NAWB Annual Forum. It was noted that this was Lindsey Woolsey's last meeting as the NGA coordinator for the Chairs' Association and that Tiffany Boiman would be taking over as coordinator. Charlie thanked Lindsey Woolsey for her years of service to the group and presented her with a gift of appreciation on behalf of the Association.

Adjourn