

**The National Association of State Workforce Board Chairs
Brown Palace Hotel, Denver CO, August 21-24, 2004
Summary of Meeting**

Saturday 8/21/04

Orientation for New Chairs and Staff

The orientation session provided an overview and history of the Chairs' Association, a discussion of the benefits of participating in the Association and challenges facing chairs, and time for specific questions and answers.

- There are two main functions of the Association are: 1) building strategic alliances among members of the group and sharing best practices; and 2) discussing important issues confronting the workforce system and influencing national policymaking.
- One of the key benefits of participating in the Association is sharing information and ideas on addressing common issues that confront state workforce boards. Another is reaching consensus on federal policy recommendations and presenting a unified voice to the Administration and Congress.
- One of the biggest challenges facing chairs and staff directors is the fragmentation of the workforce system. It is imperative that education, economic development, and workforce development areas work together in order to develop and deliver a comprehensive workforce system. Chairs and staff need to create systems, not just specific programs.
- Other challenges that new Chairs and staff need to recognize are the importance of LMI data, organizing their State Board in order to make decisions quickly, establishing a system that can benefit all workers (not just low-income), and working effectively with local boards and governors.

Sunday 8/22/04

Opening Session – Introductions and State Updates; Legislative and NGA Update

- A representative from each state in attendance presented a brief presentation on key workforce initiatives occurring in their state. Some of the shared information included:
 - Several states are undertaking cluster-based initiatives, particularly in the healthcare arena;
 - A couple of states noted that membership and vision of their State Board has changed substantially due to a new governor;
 - Several states have begun One-Stop Center credentialing efforts; and
 - Several members noted educational reform efforts occurring in their respective state.
- Martin Simon of NGA provided an update on pending re-authorization in Congress of WIA, TANF, and Perkins. He indicated that it is unlikely that any of these programs will be reauthorized during this session of Congress due to a variety of reasons not all tied to the content of the bills themselves. An important change in policy by the U.S. Department of Labor was discussed that will give state workforce boards more control over the use of LMI grants to states. State Chairs need to participate in discussions with their state LMI agency in order to help make LMI data as applicable as possible to the needs of their individual states.

Presentation - Integrated Performance Information Framework Discussion Panel

- This multi-state project focuses on developing an Integrated performance Information system that includes system-wide performance measures which can be applied across programs and levels of government. Integrated measurements are important in order to conduct strategic planning and coordinate efforts in developing a comprehensive workforce system.

- The project seeks to create accountability by providing high/low indicators for the whole system, not just for specific programs.
- The key to the project is that instead of programs just providing goods and services to meet their performance requirements, integrated performance information allows agencies to be more flexible and to provide services in a more integrated approach.
- The integrated performance information system allows programs to maintain their own data while contributing to the whole system. In addition, the project uses existing data to form the basis of the system-wide indicators rather than create new data sources or points.
- The Department of Labor has initiated activities to implement the common federal performance measures developed by the Office of Management and Budget. Importantly, states can influence and provide feedback to DOL to provide information on what indicators are best suited for the state workforce systems.

Presentation – Graham Toft, Hudson Institute – Off-shoring: Implications for the States (see power point presentation on website)

- Graham Toft of the Hudson Institute provided an overview of the changing global economic climate with a focus on off-shoring and illustrated policy options that states can adopt in light of global job shifts. According to Toft, technical advancements and globalization have caused the fragmentation of production chains. This has led to outsourcing and off-shoring.
- Off-shoring has been occurring over the past several decades, particularly with low-skill manufacturing jobs moving overseas. Now high-skilled jobs are now being off-shored. Countries are now becoming more competitive and are converging in terms of competition.
- There is now a huge global supply of highly skilled workers. It is important for states to look at the workforce in global terms, since these trends are not temporary or avoidable.
- Changes in productivity are a key factor in understanding off-shoring and outsourcing practices. Human talent is constantly displaced, then redirected at expanding industries. The U.S. economy must become adaptive and flexible in order to handle this increased churning of the workforce. Information is the critical ingredient in building a strong economy and labor force.
- Some of the policy options Toft suggests implement to promote business agility, worker agility, youth and adult education advancement, social services, and community and regional development include:
 - Creating a climate for clusters, not choosing clusters;
 - Providing an environment for entrepreneurship;
 - Providing accurate and accessible LMI data;
 - Supporting community-based lifelong learning centers; and
 - Creating state “onshore regions” in rural areas through competitive matching grants.

Monday 8/23/04

Presentation – Peter Creticos, Institute for Work and the Economy – Promising Practices (see power point on website)

- Generally, according to Dr. Creticos, there has been little systematic data collection regarding effective practices in the workforce development system. The dissemination of information is important in order for State Boards to understand the whole system and to create new and integrated solutions to problems.
- The Promising Practices website is one method of transferring knowledge among workforce professionals and others.
- The development of the website has been a long process because of the need to classify information in order for website users to search for specific topics or subject areas.

- The Promising Practices website does not rank the quality of the practice – it “groups” or “classifies” practices according to common characteristics. In addition to learning about promising practices occurring throughout the system, users can gain valuable information from practices that were not as effective as others. This is a critical aspect in the improvement of practices which can be adjusted to benefit other situations.
- State Boards should take an active role in developing web-based applications or enhancing existing applications. Websites are passive tools to share knowledge; therefore people must exhibit leadership by actively collecting and disseminating information. The value added to information is critical in making websites an effective tool for improving the workforce system and establishing links between policymakers and practitioners.

Presentation – Scott Cheney, National Association of Workforce Boards – Linking Workforce and Economic Development (see power point on website)

- Scott Cheney presented an overview of a training course, developed and offered by the National Association of Workforce Boards, which pertains to building partnerships between workforce and economic development personnel. Customers of the course include state and local workforce boards, chambers of commerce, local elected officials, economic developers, and other employees of the workforce development system. Feedback on the course has been very positive, with both workforce and economic development personnel gaining a greater understanding of the other area.
- The course can help the public sector build more comprehensive systems by linking workforce and economic development efforts more closely. It is vital that State Board Chairs and others understand the system and the benefits that can arise by linking the two areas together. One of the main purposes of the course is to dispel the myth that workforce development is just about WIA funding.
- The course is composed of three modules: defining economic development, describing workforce development, and illustrating some of the classic tensions between the two areas and how these can be overcome. An important component to the course is discussing how to create mutually beneficial activities for both workforce and economic development.

Site Visits

- The Denver Office of Economic Development co-sponsored a tour and discussion on the merger of four local agencies impacting the economic health of the city. The Business Development, Workforce Development, Small Business Opportunity, and Housing and Neighborhood Development Offices of the City of Denver were recently combined into the Office of Economic Development. The merger occurred in order to develop an integrated response to economic challenges facing the city.
- An overview of the Stapleton Project was presented, describing efforts to reclaim the now defunct international airport. A wide variety of community based organizations, public entities, and private companies have been involved in the project which is currently in the process of converting the old airport into residential, commercial, and office space.
- The University of Colorado Hospital presented information on their re-development efforts located at the de-commissioned Fitzsimons Army Hospital. The site will become a new biotechnology industry hub, including the University of Colorado Health Sciences Center and Hospital Complex, Fitzsimons Commons town center, Children’s Hospital, and the Colorado Bioscience Park Aurora. The development of the “biopark” exemplifies the importance of workforce and economic development partnerships in order to enhance and strengthen the economy of local regions.
- A presentation was given describing the successful public and private industry partnership developed to address the shortage of nurses in the Denver area. The Adams County One-Stop Career

Center, University of Colorado Hospital, Regis University, and Community College of Aurora have all partnered to implement a BSN Work Site program where incumbent healthcare workers are training to become nurses.

Tuesday 8/24/04

A Dialogue with Washington Leaders

Susan Sclafani, Assistant Secretary, Office of Vocational and Adult Education, U.S. Department of Education (see power point on website)

- Dr. Sclafani presented a variety of statistics and information demonstrating the increased importance of postsecondary education in order to develop a highly skilled and competitive workforce.
- Some of the important initiatives currently underway at OVAE include developing programs and policies to compliment No Child Left Behind; assisting on America's Future High School Initiative; working on the reauthorization of Perkins III, Perkins Sec Tech, and WIA Title II; promoting the Community College Initiative; and assisting with the Jobs for the 21st Century Initiative.
- It is important that partnerships are developed between high schools and postsecondary institutions. Career pathways must be developed and should reflect the true needs of the workforce. Key strategies that OVAE will be pursuing include expanding appropriate technology options for students, promoting collaboration and resource sharing, and developing partnerships and collaboration strategies between One-Stop Career Centers and educational institutions.

Mason Bishop, Deputy Assistant Secretary, Employment and Training Administration, U.S. Department of Labor

- Some of the biggest challenges currently facing the public workforce development system are to engage the business and public sectors in order to become more flexible, empower individuals to manage their careers, and provide opportunities for workers to obtain postsecondary education.
- ETA feels that WIA should be re-authorized with less duplication and a consolidation of funding streams in order to make the system more effective. The system should be flexible enough so that waivers are not necessary.
- State Boards and Chairs need to have an increased role within the system and should be considered their governor's cabinet for workforce issues. Importantly, WIA, TANF and other programs should not be viewed as separate entities, but rather as a holistic system that is necessary to create a flexible and well-educated workforce.
- States need to take charge and ownership of LMI data – this information should be as useful as possible for state and local boards. It is critical that accurate data be given to individual workers and local boards in order to design and provide services that are needed.
- Other current priorities at DOL include the High-Growth Job Training Initiative, Jobs for the 21st Century Initiative, dislocated workers services, youth services under WIA, and Personal Re-Employment Accounts.

Discussion Topic: The Role of State Boards in Linking Workforce and Economic Development

- Meeting participants discussed various ways to link workforce and economic development activities together. Each person in attendance noted at least one actionable item that they could or would like to do in their respective state regarding this issue. Some of the items that were presented as a way of linking economic and workforce development included:
 - Recognizing cultural differences between economic and workforce development;

- Understanding the importance of simultaneously linking education, economic development and workforce development efforts;
- Realizing the importance of leadership and vision;
- Supporting local level efforts; and
- Developing effective partnerships.
- State Boards and Chairs must play a critical role in actualizing these ideas. Chairs must make contacts with economic development organizations, recognize when windows of opportunity exist, leverage resources, and articulate a clear plan of where efforts must be placed in order to enhance the workforce system.
- Chairs and Staff Directors agreed that by the next meeting (March 2005), each state will be accountable for developing and implementing at least one action which links economic, education, and workforce development efforts. States will report on these activities at the March meeting.

Business Meeting

- Report from Chairs Breakout Session:
 - Chairs discussed Graham Toft's presentation and how they can concentrate efforts on developing a workforce system that is responsive to global change. Overall, state boards must create a climate that is agile, fosters entrepreneurship, and enables creative destruction to occur. Chairs must exhibit a vision and work creatively to develop a flexible system.
 - The Chairs discussed the summary of state efforts to link more effectively with local boards. It was agreed that this document would be shared with NAWB to get their perspective on these practices and to see if local boards would like to submit additional techniques.
 - A discussion occurred on how to structure state boards. Overall, the Chairs concluded that each board is structured differently depending on the needs of their particular state. There is no "one best method" of structuring a state board. Ultimately, boards should reflect the vision of the governor and create effective relationships in order to be successful in their mission.
- Report from Staff Directors Breakout Session:
 - Staff Directors discussed how clusters can be defined by a multitude of activities with many different definitions. When examining cluster-based strategies, states should focus on their economic assets and have the capability, through educational and public resources, to provide training for identified industry clusters.
 - The impact of job churning on states was also discussed and how this factor has changed the operational strategies of most businesses. There is a critical need for workers to access and acquire both skills-based training and learning skills, therefore institutional response to job churning is vital to the health of a state's economy.
 - Staff Directors also noted that there is now a global marketplace and global workforce, which can be problematic for low-skilled workers. In addition, states must focus on creating friendly environments for entrepreneurial activity in order to effectively compete in a global marketplace.
- Meeting attendees concurred that the matrix developed to collect data on state and local best practices will be used. The subcommittee will continue to research and determine the most effective method to electronically house the information.
- The next Chairs' meeting will be held in Washington, D.C. on March 5-7, 2005. It was suggested that some of presentations at the meeting focus on adult education issues.
- States interested in hosting the annual meeting in 2005 should submit a brief proposal to Sam Leiken at NGA (sleiken@nga.org). Several states (Wyoming, Oregon, and Arizona) have currently expressed interest in hosting the meeting.