

Workforce Clock Ticking

Skills Upgrade Takes on Greater Urgency

By Charlee Beasor

It's not your daddy's job market.

A crude way to phrase it, yes – but that's the reality facing Hoosier workers. No longer will basic skills suffice. While a high school diploma mostly guaranteed a job 20 or 30 years ago, some college degrees aren't even enough to secure employment in today's economy.

And for employers, in a time when resources are already stretched thin, keeping current workers trained and up to date on technology and advanced skills is necessary to keep costs down.

"It used to be, when you worked in a manufacturing plant, if your machine broke down, somebody called somebody in Germany and you went out and had your coffee break ... well, those days are gone. You're responsible not just for one machine; you're responsible to get a product out the door, from start to finish," points out Carol D'Amico, senior advisor at Conexus Indiana, the state's advanced manufacturing and logistics initiative.

How is Indiana tackling the increasing demands on the workforce? Discussing the need for new skills and educational efforts, as well as what resources are available for employees and employers alike, are:

Participants:

- **Kris Deckard**, director of Ready Indiana, the Indiana Chamber's workforce development program
- **Gina DelSanto**, senior deputy commissioner for education and training at the Indiana Department of Workforce Development (DWD)
- **D'Amico**, in addition to her current role, a longtime leader in state and national education and workforce development initiatives
- **Jeanette Lackey**, director of human resources at Mays Chemical Company

Changing skills

It's no secret that new technologies and tighter bottom lines are requiring Indiana's current workforce to seek a higher skill set to be able to stay competitive.

DelSanto takes the point one step further: "We see the jobs that required low skill levels and lack of computational ability; lack of ability to evaluate information, analyze information and generally contribute to a company's bottom line – those jobs just don't exist any longer."

Companies in Indiana and across the country, according to Deckard, are reporting that the skills sets needed include more of the "soft" or "applied" skills.

"... Problem solving, conflict resolution, working in teams, collaborating. Creativity is one of those," she notes. "Innovation is a skill that I'm seeing at the top of the list in terms of what the employers need, and at the bottom of that list in terms of employers providing that training, not because they don't value it, but because it's a difficult subject to teach."

The Great Recession – even more than previous downturns – has played a main role in why the job market is changing.

"The economy has been reset. And there is truly a mismatch between what employers are going to need, because they have restructured, and the low-skill opportunities are gone," D'Amico says. "Now, the restructuring is going to require a very different kind of employee, and imagination, innovation, creativity are all about productivity: How to do something better, faster.

"And I think we are going to be challenged, not only in Indiana, but in the U.S. when this recession ends in full force, because we need a very different kind of person than we did two years ago. And so how do we restructure our education institutions? How do we educate maybe the federal government about revamping training programs in a very different way?"

Starting with education

Before moving on to higher education, the panel emphasizes Indiana's need for more high

INFORMATION LINK

Resources: Kris Deckard, Ready Indiana, at www.readyindiana.org

Gina DelSanto, Indiana Department of Workforce Development, at www.in.gov/dwd

Carol D'Amico, Conexus Indiana, at www.conexusindiana.com

Jeanette Lackey, Mays Chemical Company, at www.mayschem.com

school diplomas.

"With more than 500,000 members of our workforce, there is more than one in five lacking a high school diploma," DelSanto states. "Those individuals simply do not have the skills that they need in order to compete for jobs and help Indiana companies become stronger in the new economy."

While the numbers may seem daunting, D'Amico offers that a push toward contextual learning is a plus.

"I think one of the things that the state is doing is saying, 'We need you to go get your high school diploma, but you're going to also be involved in an occupational training program at the same time.' So you're not learning math just for math's sake. But you're learning math in the context of getting a certificate in advanced manufacturing or logistics or information technology."

Noting D'Amico "hit on the key," DelSanto continues: "If we can prepare adult learners with both basic skills as well as entry level occupational skills, then they come out of the adult education program on solid footing, and they are ready to go on to a community college program without needing remediation, and they will compete much more successfully within that program and are much, much more likely to persist and to complete the program."

Lackey agrees, observing that business and industry need to be involved as well.

"You can teach, but you have to have that applied ability to let them show you what they have learned, and ... you have to get the business people involved, because you want to make sure that what they (students) are learning in the classroom is what they can apply in on-the-job training."

Getting employers involved in the educational component should be a key to Indiana's workforce development efforts, D'Amico adds.

"It has to be employer-driven. And employers have, I believe, a responsibility to work with educators to articulate the expectations, and then educators respond to that by creating the curriculum. But industry has to be the driver," she relates.

"And, you know, (industry) hasn't had a lot of experience doing this. They are not used to anybody asking, 'What do you need?' in a very specific way. And so educators have to learn to ask the questions and employers have to learn how to respond in a way that helps educators create that right curriculum. I think we're working on it in Indiana with Conexus, DWD, Ivy Tech certainly."

Additional training required

For many in the workforce, going on to traditional higher education is not the solution. However, those with high school diplomas or GEDs can help themselves stay employable by earning certificates and certifications.

"If I had to look at two applications," Lackey reveals, "one with a high school diploma and one with a high school diploma with some additional training, with industry knowledge, I'm going to look at the industry knowledge, only because it will be less training for us, and they are coming in with some familiarity with what we do from an industry standpoint."

Deckard, however, notes there is some confusion for employers about the value of certificates and certifications.

"That issue of standardization, to me, that's where employers have a hard time interfacing with educational institutions. They don't use the same language. They might be talking about the same skills, but they don't title it the same way," she claims.

"And what we are talking about isn't new to the educational arena," DelSanto concurs. "For years and years, physicians have been licensed. They have to pass a test, the national boards. But it goes beyond just the health care profession. We've had IT certifications for many years. Now, what we are talking about doing is ensuring that we can identify certifications for every kind of industry that is of key value to our economy."

The health care system actually provides a standard of training and certification that should be considered by other industries, D'Amico contends.

"I think it's a good model for how employers can engage with educators. There is no reason that the same model could not be used in other sectors as well, whether it's advanced manufacturing, logistics. But that would be one concrete way to start engaging employers, to look at that health care model."

Deckard shares that there isn't really a good way to answer the question of "Certification 101" for Hoosier employers.

"I know you've all heard this for years, 'Is there a cheat sheet? Is there a one-pager? Is there a guide?' And as soon as you make it, some things are going to change, or it works within such a small group. Even within workforce development versus adult education, lots of different acronyms are thrown around there, different understandings," she offers.

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Indiana Department of Workforce Development*



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Conexus Indiana*



DelSanto also notes that the difference between a certification and associate's degree is small, but has great impact.

"The one thing that can be said generally and accurately about certifications versus associate's degrees is that a certification is a more expedient route to a credential. An associate's degree is an academic credential, which means that if you receive an associate's degree, necessarily you must complete what is called the general education curriculum. That is not part of the standard certification process."

"The certification curriculum," she continues, "really focuses on delivering the learning outcomes – the particular knowledge, skills and abilities that are required to pass the test. But it's much more targeted at a specific discipline, a specific set of skills, talents that must be demonstrated by a test. And, as a result, it's usually quicker."

Lackey adds that certifications vary from industry to industry, something she is familiar with in her human resources role.

"I think from a certification standpoint, it depends on exactly what your industry is and what the industry is doing. In order to get human resources people involved, you have to show them a value and that there's a result, and that it's going to increase your productivity within that workforce," she explains.

"Because, for us, if I can get someone that comes in with a certification, or they have a particular experience in chemical knowledge, that's a wonderful thing because I know they understand. And I know they have actually applied themselves and have had experience on it."

Training resources available

Incumbent worker training is one valuable tool that more employers are trying to utilize to avoid layoffs and increase the bottom line (see sidebar story for one example).

Employer awareness – where to go to get training and where to potentially obtain funding to assist in that process – can be a barrier.

D'Amico offers that Ivy Tech Community College is a good place to start.

"They are statewide, and they understand these certifications. They have certification centers in probably every one of the 14 regions. They offer testing on all those certifications. They have

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Partnership Helps Indiana Company Avoid Layoffs

By Charlee Beasor

Updating incumbent worker skills is a hot topic – across the nation and here in Indiana.

During the recent *BizVoice*® roundtable discussion, participants focused on how to raise the awareness of workforce training programs and services among Hoosier employers. Another subject centered on the available financial resources for such training.

A recent partnership in Southwest Indiana showed the potential solutions for one company.

In April 2010, Kimball Electronics in Jasper was facing the possibility of a large number of layoffs. Costs were too high, leading to lost bids for contracts. The company needed to train its current employees in efficiency, reducing waste and problem solving.

That's when Kimball Human Resources Manager Sue Habig was put in contact with Kris Deckard, executive director of Ready Indiana, the Chamber's workforce education initiative. Deckard and Nate Klinck from the Indiana Department of Workforce Development (IDWD) started working to find funding to keep Kimball from having to reduce its workforce.

Enter Jim Heck and the Grow Southwest Indiana Workforce. After Deckard and Klinck contacted him, Heck

worked with IDWD to help secure a grant for the company.

"(We got) Rapid Response dollars, funds that are set aside to help curtail a layoff if at all possible, as a way to help train those workers to help keep them from being laid off," Heck notes. "It's the first time those dollars have been used like that in the state. The money flows from the state to us to the service provider, and they do the training at Kimball."

The Lean/Six Sigma training for Kimball employees began in September 2010.

"This is something that you just don't see every day. I can't believe how well it's helped us out down here in Dubois County. There were a lot of jobs at risk here," Heck adds.

While Heck is pleased with how the Kimball partnership worked, he says other businesses could benefit in similar ways if they come forward and acknowledge the need for assistance. "It just shows the importance of communication from businesses; they've got to be communicating. There's help out here, but they've got to get with us so we know they need that help."

Resources: Jim Heck, Grow Southwest Indiana

Workforce, at www.workonesouthwest.com

Sue Habig, Kimball Electronics, at www.kegroup.com

people who go out to employers, find out what employers need. Gina's organization (DWD) is certainly another."

Lackey, who has searched for training for Mays Chemical employees, explains that there are plenty of resources available, if companies are looking in the correct place.

Deckard stresses the importance of Hoosier employers understanding the local resources available to them.

"It would help for businesses to be more aware that each region in our state has a business services representative dedicated to helping them, that is ideally the first point of contact ... but I would say that they really mostly don't know that that person exists to serve them," she maintains.

DelSanto notes that another problem is that available funding falls far short of need.

"We hear consistently from companies all over the state that there is a growing and high demand for incumbent worker training. It is certainly our hope within the Department of Workforce Development that as Congress and as the Department of Labor look at the federal funds that are available for workforce development, they will consider in greater measure the opportunity for companies to receive funding to train their incumbent workers."



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*Kris Deckard
Ready Indiana*

A surprising mismatch

The quandary of a high unemployment rate paired with employers who have jobs they cannot fill is puzzling. Is it because the people who are unemployed don't have the necessary training and skills?

D'Amico, who previously noted that over half of those people who receive unemployment compensation do not have a high school diploma, calls the question a paradox.

"As I travel around the state and talk to manufacturers, I hear this all the time. The first thing I say when I walk into a firm is, 'How many job openings do you have?' And they always give a number, whether it's 20, 30. And I say, 'How can this be, when the unemployment rate in this county is 8%, 9%?' There is a mismatch," she contends.

The DWD also has a number of job openings posted on its web site.

"We hear the same thing as well, employers expressing frustration that they can't find qualified workers to take the job," DelSanto contributes. "We also know that with extended unemployment insurance benefits, there is a disincentive to some to take a job that either pays the equivalent of what they would get with unemployment insurance benefits or slightly less than that. So we have a multiplicity of factors ... that are compounding this paradox, as Carol called it."

The unemployment insurance piece is troubling to the panel.

"I have been told directly by employers that they have had people (that are on unemployment) refuse work. ... Multiple

employers with positions open like that have told me they have worked with their local (WorkOne) and the people that have been referred to them have refused to come in for an interview and have blatantly said, 'I can make more on unemployment,'" Deckard discloses.

DelSanto uses the phrase "chronically unemployable" when discussing the attitude Deckard mentioned.

"Do something to make yourself remain viable and competitive within the workplace, or you may face very long periods of unemployment, even after the benefits have expired," she warns.

Where do we go from here?

Each panelist pointed to something that would be on her "wish list" for workforce development in Indiana.

"The Workforce Investment Act, that is the primary act that oversees federal funding, and of course these days it is primarily federal funding that is available – that act expired in 2003, and it has been in this constant state of pending reauthorization. And it's time to revisit the Workforce Investment Act in a serious way," DelSanto shares.

D'Amico also wants to see some movement from the federal government.

"I think that the federal government has led quite well in education reform. It's not the case with workforce development, unfortunately. And it is holding back not just this state, but the entire country," she claims. "Workforce development is an area that we need a lot more work in. And states are handcuffed in this area because it's so federally driven, unlike K-12."

From the business

perspective, Lackey hopes to see more connections with the available resources.

"If I had a wish list, (it is) to magically know where those resources are, because they are out there. And then show that employer how you can grow the workforce and their business," she offers. "I think we need to clearly articulate the training pathways for employers. You have to make sure that you have the business community understanding the value of the training and what that pathway is going to mean for a better workforce, a better business."

Deckard also wants to see more Hoosiers utilize the available technology to reach their goals. "I feel like we have to use different means than just talking and writing and reading. We have to somehow help people step outside of where they are looking for this information into a different world to understand easily how to acquire it."

D'Amico closes: "I would just hope that we could find the words to inspire Hoosiers to understand the world that their children, grandchildren and they will be facing in the not so distant future, and to take some action to prepare themselves for that reality and to break out of the sense of either despair or complacency, that someone finds the right words and can inspire Hoosiers."