

Solutions for Surviving Skilled Labor Shortage

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Who we are:



- Three Rivers PDD is the fiscal/administrative agent for the Mississippi Partnership.
- The Mississippi Partnership is one of four workforce areas in the State of Mississippi created for the purpose of providing activities authorized by the Workforce Investment Act of 1998 (WIA).
- We have 16 WIN Job Centers and 7 Youth Providers who provide services to our customers, both job seekers and employers.



WIA Employer Services

- Post job openings
- Recruit job seekers for employers
- Screen applicants to ensure the right workers with the right skills are referred to employers
- Provide office space for interviewing to employers
- Provide training cost reimbursement to employers who hire and train an employee
- Assist companies with Rapid Response services to help manage layoffs

What is a Skilled Worker?

Wikipedia defines a skilled worker as:

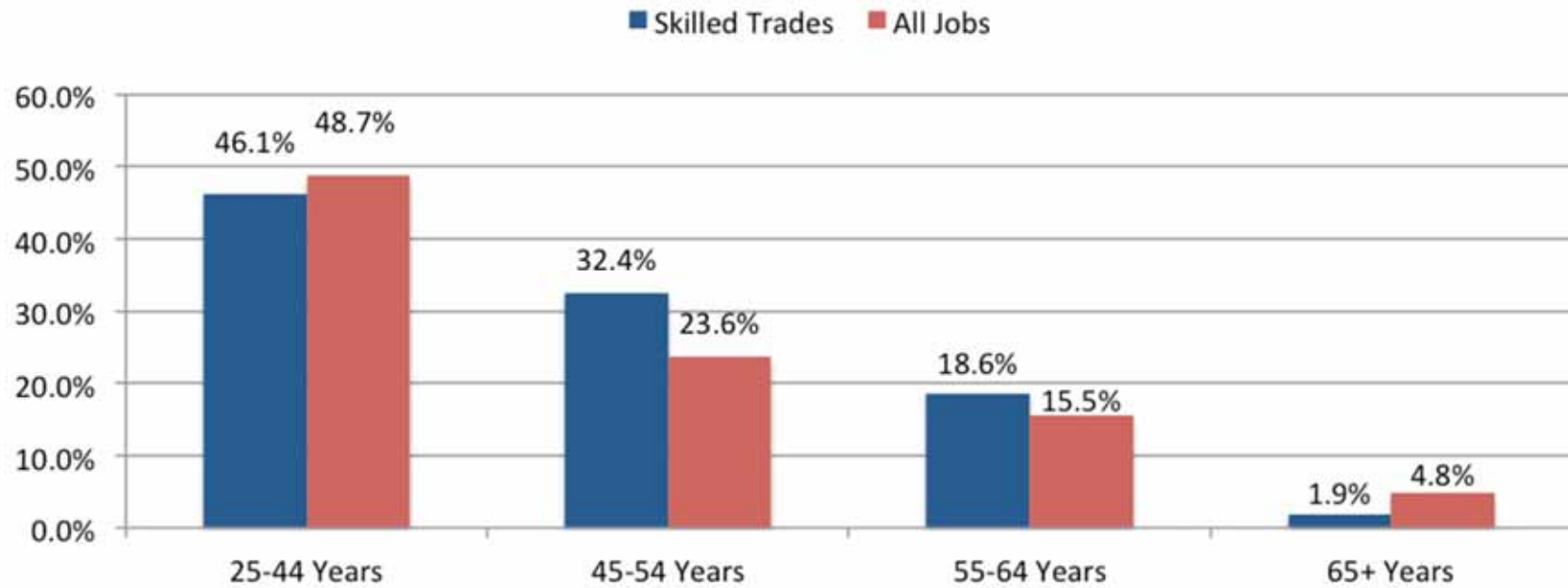
- Any worker who has some special skill, knowledge, or (usually acquired) ability in their work. A skilled worker may have attended a college, university or technical school. Or, a skilled worker may have learned their skills on the job.



Is there really a shortage?



Age Breakdown: Skilled Trades vs. All Jobs

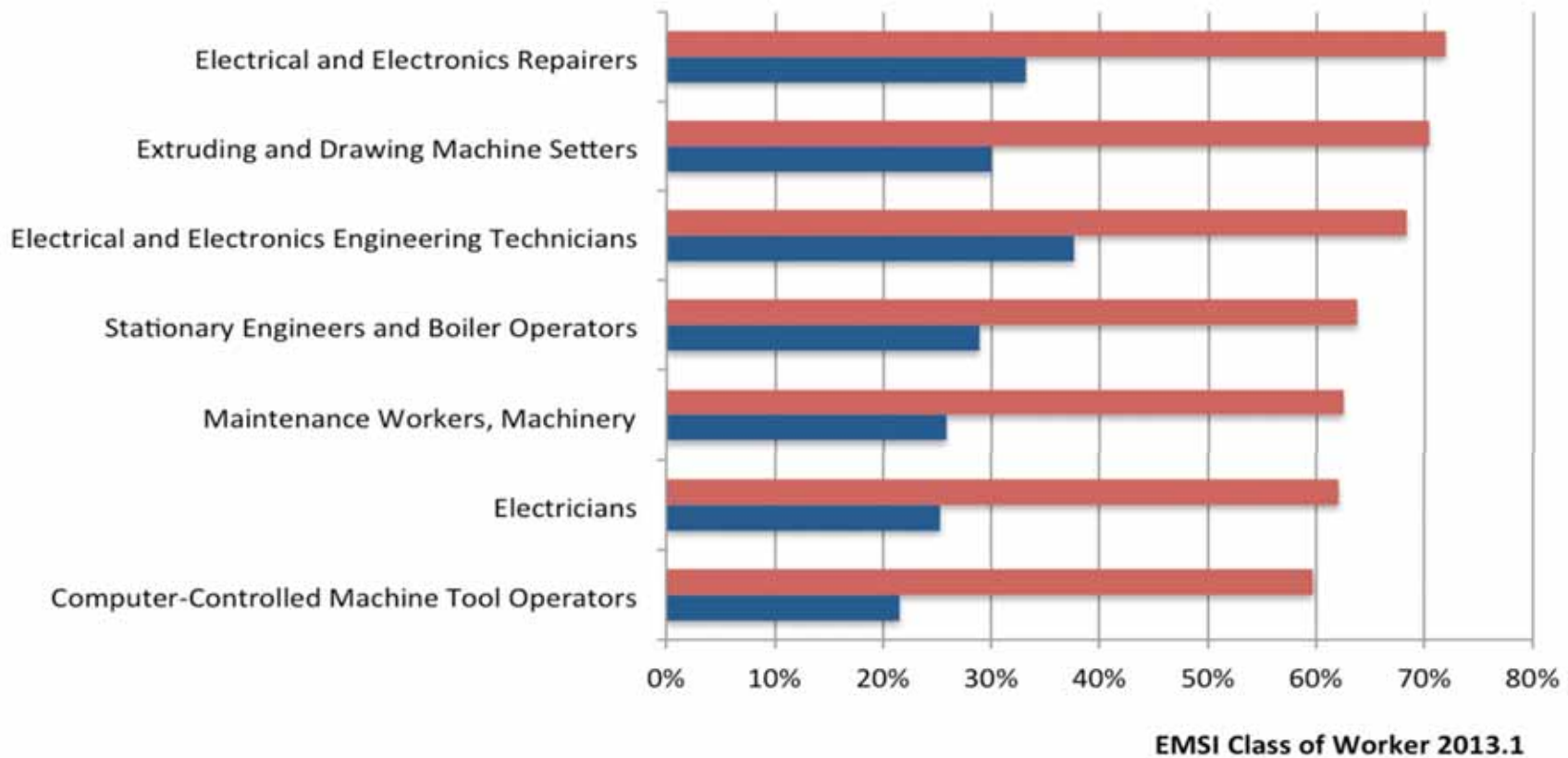


EMSI Class of Worker 2013.1

Source: *America's Skilled Trades Dilemma: Shortages Loom as Most-In-Demand Group of Workers Ages*

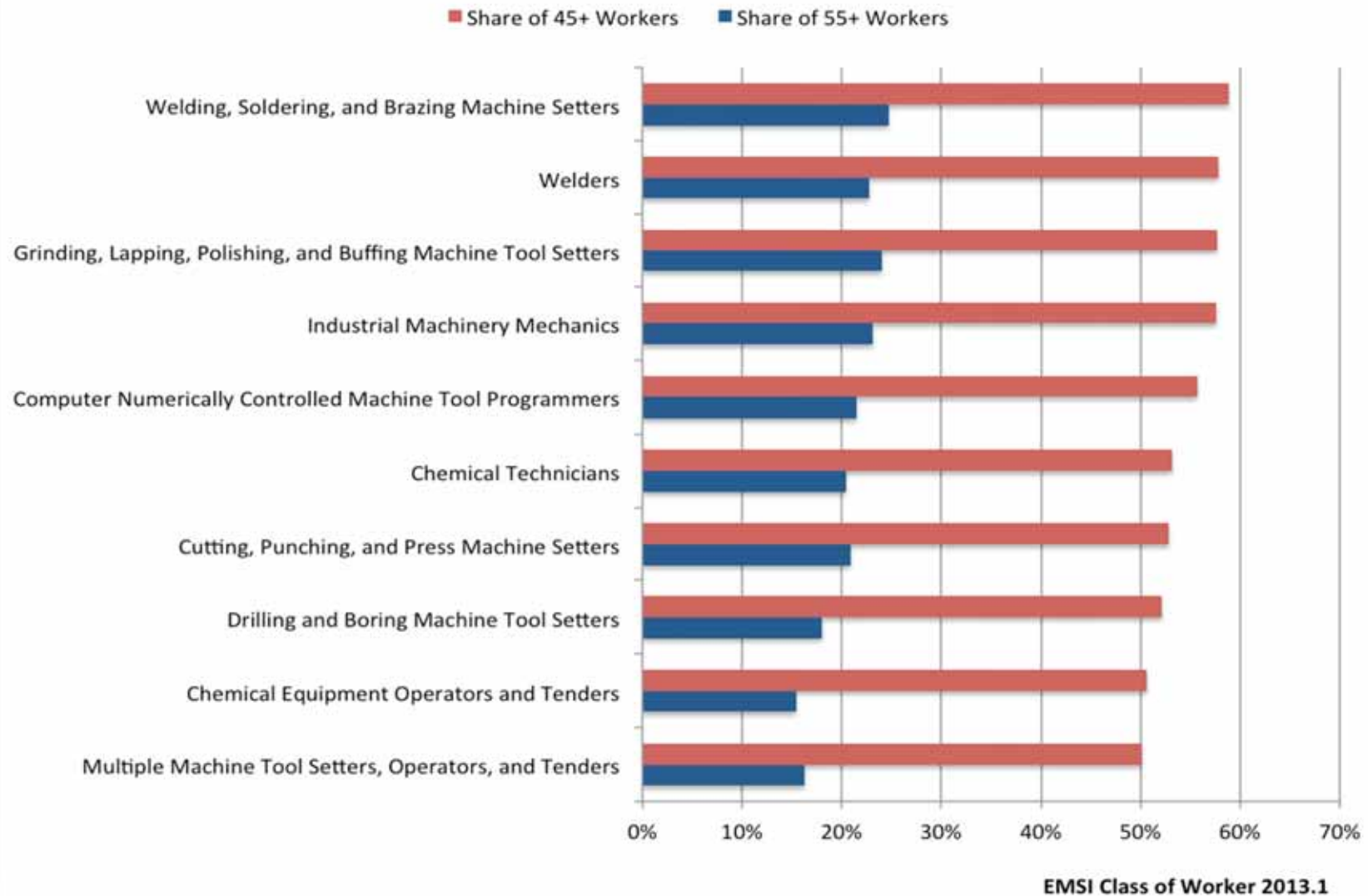
Skilled Trades Group 1: The Oldest Occupations

■ Share of 45+ Workers ■ Share of 55+ Workers



Source: *America's Skilled Trades Dilemma: Shortages Loom as Most-In-Demand Group of Workers Ages*

Skilled Trades Group 2: Not-So-Old Occupations



Source: *America's Skilled Trades Dilemma: Shortages Loom as Most-In-Demand Group of Workers Ages*



Are we becoming a Technological Unemployed Society?

- If you've lost your white collar job to downsizing, or to a worker in India or China you're most likely a victim of what economists have called technological unemployment.



Source: 60 Minutes: *Are Robot's Hurting Job Growth?*

- Our economy is bigger than it was before the start of the Great Recession. Corporate profits are back. Business investment in hardware and software is back higher than it's ever been. What's not back is the jobs.
- The percentage of Americans with jobs is at a 20-year low.
- Annual investment by U.S. manufacturers in new technology has increased almost 30 percent since the recession ended, and research institutions and robotics companies, funded by venture capital, are constantly searching for innovations .



Source: 60 Minutes: *Are Robot's Hurting Job Growth?*

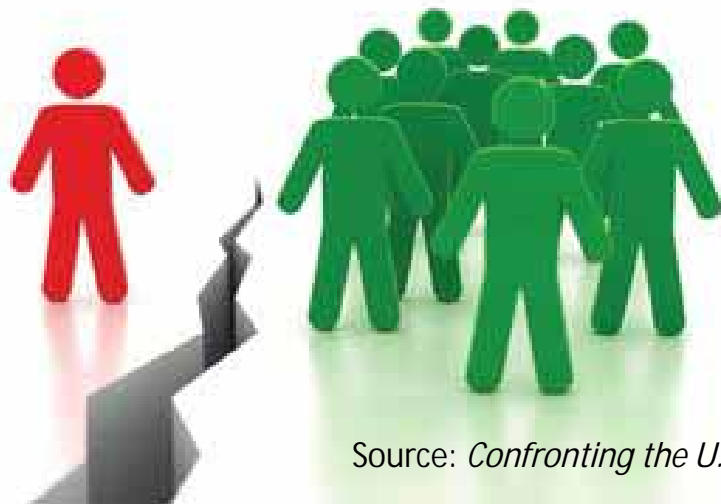
- In October 2012, the Boston Consulting Group (BCG) released a study, “Made in America, Again: Understanding the U.S. Manufacturing Skills Gap and How to Close It,” concluding that the existing manufacturing employee skills gap that has been widely reported is “more limited than many believe.”



- The BCG researchers found only limited evidence of a high-skilled manufacturing labor shortage nationwide — as only 5 of the 50 largest manufacturing centers are currently experiencing significant or severe gaps.

Source: *Confronting the U.S. Advanced Manufacturing Skills Gap*

- The BCG concludes that U.S. manufacturers are trying to hire high-skilled workers at “rock-bottom” wage rates, and that is not what it would characterize as a “skills gap.”
- Adam Davidson’s recent New York Times Magazine article “Skills Don’t Pay the Bills” concluded that there really isn't a skills gap. Rather, it’s the unwillingness of manufacturers to pay higher wages that is causing the skilled worker shortage, which is a view that is consistent with the BCG report.



Source: *Confronting the U.S. Advanced Manufacturing Skills Gap*

Current Programs offered by The Mississippi Partnership

C2C



COUNSELING TO CAREER Youth Programs

- Program is for WIA eligible out-of-school youth ages 14-21
- The goals of this program are to:
 - ✓ Increase the youth's basic skills
 - ✓ Assist the youth with receiving his/her GED, if applicable
 - ✓ Teach the youth Work Ethics
 - ✓ Provide the youth with paid work experience after completing Work Ethics training
 - ✓ Transition the youth into a job, college, advanced training, or the military

Internship Program

- Provides meaningful work experience that helps the individual to explore career opportunities or gain meaningful work experience, while providing the employer with a qualified employee.
- The employer must be able to:
 - ✓ Provide a safe workplace
 - ✓ Supervise appropriately
 - ✓ Maintain an open line of communication between the employer, the adult intern, and the WIN Job Center staff
 - ✓ Provide feedback and evaluations of the adult's work performance



On-the-Job Training (OJT)

OJT is training provided by an employer to a paid participant while engaged in productive work that:



- Provides knowledge or skills essential to the full and adequate performance of the job;
- Provides reimbursement to the employer of up to 50% of the wage rate of the participant
- Is limited in duration as appropriate to the occupation for which the participant is being trained

Individual Training Account (ITA)

- ITAs are used by individuals to purchase approved training programs, provided by "eligible training providers".
- ITAs are typically used to purchase training in the areas of Nursing, Truck Driving, Tool & Die.
- Most of the training is provided by local community colleges.
- ITAs are limited in amount and duration based on the type of training the individual receives.



Are current programs meeting employer needs?

- Too many regulations that are a barrier to success
- Declining Resources
- Out dated programs
- Not sector specific
- Using a scatter gun approach



What we are doing to meet the needs of workers and employers

- Listening
- Thinking
- Not scared to rock the boat
- Proposing innovative ideas
- Seeking waivers from DOL to explore those ideas



How to reach us

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