

The Future of WorkSource

Input from employers, job seekers, and service providers on the need for and vision of an effective workforce system in Oregon

Southern Oregon Region

JUNE 2014

Contains summaries of the following

- Statewide Assessment
- Medford Regional Forum

A project of
**The Oregon Employment Department and
Local Workforce Investment Boards**

Report prepared by
**The Center for Public Service, Portland State University, and
Scruggs & Associates LLC**

The Future of WorkSource

Background

The Future of WorkSource is a joint project of the Oregon Employment Department and Oregon's seven Local Workforce Investment Boards. The objective of the project is to examine the effectiveness of WorkSource—what the system needs to provide in order to have value and impact to its customers, how these customer needs vary region by region, and how state and local providers can work more collaboratively to provide integrated and seamless services to employers and job seekers.

To understand where to focus attention and how to deliver services more effectively, the project obtained input from employers and partners across the state. From March 18 to May 10, 2014, the project held four local employer forums (Hermiston, Klamath Falls, Ontario and The Dalles) and eight larger regional forums (Eugene, Florence, La Grande, Medford, Redmond, Seaside, Salem, Wilsonville) that brought together employers, business groups, and workforce providers and partners. In total, more than 700 people participated in these forums.

Prior to the forums, the project surveyed a sample of job seekers that used WorkSource during the fall of 2013. From approximately 5,700 surveys sent, there were 912 responses (870 complete), which represented a 15% completion rate. This information was compared to forum input to understand the dynamics and connections between the supply side (job seekers) and demand side (employers) of the workforce system.

This report is a compilation of these activities, summarizing the direct input from stakeholders as well as regional and statewide analysis trends and perceptions. This report is divided into three parts:

- A statewide synopsis that combines all aspects of the project into a synthesis of statewide trends and regional differences.
- Summaries of regional forums and rural employer sessions.
- Appendix of job seeker survey data and analysis containing statewide and regional analysis of job seekers use and perceptions of the WorkSource system.

The information from this project will be used for in-depth discussion at both the state and local levels to improve services, responsiveness and the positive impact of the WorkSource system including:

- Strategic conversations and assessments, individually and collectively, with the Oregon Employment Department, Community Colleges and Workforce Development, and Department of Human Services,
- Planning and program development for local workforce investment boards (LWIBs),
- Closer coordination of services between LWIBs and multiple state agencies,
- Input to Oregon Workforce Investment Board (OWIB) and the state's workforce redesign effort,
- Coordination with community colleges, individually and collectively, on degree and certificate curricula and sector-specific training opportunities,
- Conversations with the legislature about workforce policy and resource allocations, and
- Conversations with the Higher Education Coordinating Council (HECC).

The report and analysis was compiled by the Center for Public Services in the Hatfield School of Government, Portland State University in collaboration with Scruggs & Associates LLC. The Center for Public Services provides research, education and consulting services to public and nonprofit organizations to improve governance, civic capacity and public management. Contributors include Patricia Scruggs, consulting staff; Catherine LaTourette, faculty; Thomas Swafford, associate staff; Deborah Kirkland, associate staff; and graduate students Caroline Zavitkovski, Valerie Walker, Bonnie Crawford, Ariana Denney and Troyler Fultz.

PART I: Statewide Assessment

This section of the report synthesizes what we heard from businesses, job seekers, service providers and workforce partners around the state--unedited perceptions about the WorkSource system as well as the broader community infrastructure that supports workforce development. While additional details can be found in the regional write-ups and job seeker survey analysis, this summary provides highlights and analyzes the common state themes and regional differences.

FORUM SUMMARY: Employer Highlights

Employers are the primary customers of WorkSource—the demand side of the system that must drive how services are developed and delivered. This section highlights three key discussions with employers; Understanding the workforce trends they are experiencing, how those trends translate into value-added services, and where WorkSource resources could be allocated or deployed to best meet with value.

Employer trends and concerns common throughout the state

Many applicants lack basic skills

Employers report basic skills are absent from a wide range of candidates from entry-level positions to college graduates. Writing and communication skills are among the most common missing skills, along with basic and applied math such as the ability to read a tape measure or making change from a sales transaction.

Applicants are missing other base skills critical to many Oregon industries

Employers consider customer service, basic knowledge of computers and common office software, and familiarity with standard workplace protocols (appropriate attire, punctuality, etc.) as basic skills. They observe older applicants often lack computer skills and have difficulty marketing their skills or experience. Employers also notice significant intergenerational workplace challenges with regards to workplace expectations, especially between millennials and baby-boomers. This suggests a need to better develop the talent of management in addressing those issues effectively.

Applicants lack technical and vocational skills

Employers in a wide array of industries, especially trades and manufacturing, note a significant gap in vocational and technical skills from previous generations. This included a range of skills from being able to read a tape measure or instrument panel to having basic mechanical skills or understanding of what constitutes quality control. Problem-solving skills that are valuable in many occupations, including college degreed jobs, are also missing. Businesses noted a lack in vocational education, statewide and nationally, and the focus on students to be college bound has hurt the competitiveness of many businesses, especially those in rural communities.

Employers are seeing far less early work experience and work readiness skills among job applicants under age 25

Applicants under 25 years of age tend to have fewer work experiences than in previous generations. Employers are seeing more college graduates with low work readiness skills, even in simple matters such as showing up on time. Employers are experiencing lower quality in younger employees' work and/or an attitude of "just doing enough to get by." They perceive the education system as not including job readiness as an important aspect of learning.

Use of staffing agencies and temp-to-hire continue to rise

Because of a lower overall quality of applicants, many employers are using staffing services to find employees through temp-to-hire situations where potential new hires are tested for skills and fit with the workplace. While this is more expensive for employers on a per person basis, it saves them money

in the long run due to the high percent of temps that do not make it through the trial period. If they do fit, however, turnover is greatly reduced and employers are more willing to make investments in training.

Employers rely heavily on different forms of work-based training

In addition to using temp-to-hire as a way to find employees with the right mix of skills, employers noted they are doing more basic skill training just to bring a new hire to an entry-level skill set. This basic training, combined with business or skill specific training means the return on training investment (training ROI) continues to take longer before a new employee is productive. Once an employee is up to speed, employers prefer to promote from within to maintain this investment. This results in a high demand and preference for incumbent worker training to “skill-up” existing employees to replace workers that have either left or retired.

Employers are struggling to use apprenticeship programs

The recession and pressures to lean operations have left many companies, especially trades and manufacturing, without adequate journey level staff to take on the number of apprentices that they need. Furthermore, a significant number of businesses reported that age restrictions on the use of equipment prevented them from attracting students into apprenticeships or pre-apprentice training.

Employers are concerned with retirement and succession planning

As the economy improves, employers are starting to see more of their older employees consider retirement. With little job growth over the past five years, there are fewer people in the pipeline to move up within the organization and recruitment from the outside is costly or difficult. This is especially a concern with smaller and rural businesses.

Structural cliffs in government assistance hurt lower income workers

Employers in all regions commented that unemployment insurance payments and wrap-around assistance such as food stamps or transportation assistance were an “all or nothing” program making it difficult for job seekers to take an entry-level job and risk losing the support they needed as they transitioned back into work. This meant that qualified applicants often declined jobs reducing the applicant pool even further for employers.

Additional Rural Trends

Employers in rural regions face additional challenges in finding, training and retaining workers. These challenges include:

- A **high portion of seasonal jobs** means many workers hold multiple jobs in a given year and rely on temporary seasonal unemployment to make it through leaner parts of the work year.
- **Geographically disbursed workforce and employers** often mean longer commute times, even for lower-wage jobs. Combined with seasonal industries, transportation costs are often a significant barrier to keeping employees.
- Employers having to go **outside the region to find professional, technical and management level** positions. Even after casting a wide net, recruiting mid to high-level occupations to rural communities is difficult, especially when there is a trailing spouse or partner who would also need employment. Often compensation packages are more costly and retention rates are low.
- A lack of a local qualified workforce encourages companies to steal good employees from one another—despite knowing this is not good for the long term regional economy.
- **Drug use**, especially methamphetamine, was noted as serious problem in eastern and southern Oregon with many applicants failing drug testing. The ability to address this issue as part of an overall employment strategy will be critical.

Rural employers also had a more **difficult time accessing WorkSource services due to the distance between the company and WorkSource offices**. It was suggested that for specialized or critical services that a portion of WorkSource staff travel either directly to businesses or to partner offices throughout the region or that more services are offered in a virtual fashion.

What Employers Value and Want from WorkSource Services

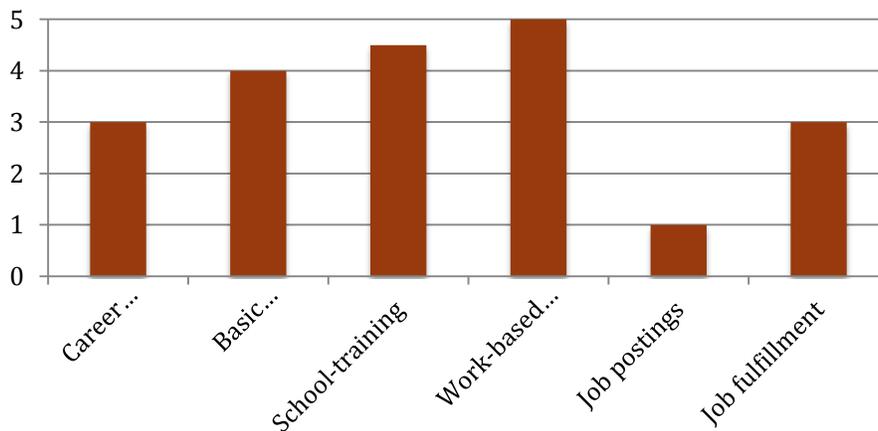
Employers view the WorkSource system as a set of inter-related services, where more efficiencies and impact could be gained through enhanced coordination and improved marketing of available services. To achieve this vision, businesses want WorkSource to have a **broader pool of applicants with a wider range of skills and education**. For example, they suggested community colleges and universities put graduates into the WorkSource system. With this broader set of applicants, WorkSource **could provide more services to a wider array of job seekers and employers**, rather than the perception that most resources are being spent on a low percentage of the unemployed with significant barriers to employment. These expanded services would include **significantly more training throughout a worker's employment history** and earlier focus on youth work experience to get Oregon's workforce off to a good start.

Employers envision **data systems that go beyond job matching**, which analyze regional and state employment trends and manage customer relationships in such a fashion that **informs the types of regional training or job preparation services needed**. With more robust information, employers imagine WorkSource **better connected with regional and state economic development organizations** to be more proactive and strategic about business expansion and recruitment efforts. Armed with better information and improved links to the regional economy, WorkSource's **connection to K-20** could be more effective in promoting the jobs and skills needed to grow local economies.

Allocation of resources

The forums asked employers to allocate where they would like to see WorkSource resources allocated by key six functions. Each employer allocated \$100 in \$5 increments across these functions. The results were then totaled and adjusted to a scale of 1-5, where 5 represented an area that employers wanted to see significantly more resources, and 1 was an area where they saw little value.

Employers' desired allocation of WorkSource resources



Training stood out as a highly valued and underserved function with WorkSource. The top three immediate issues for employers across the state were:

- Increasing **incumbent worker** training to help businesses maintain critical occupations and fill the increasing number of retirement jobs.
- Enhancing **basic skills training** that improve the quality of the current applicant pool and for which WorkSource should verify self-reported skills and credentials prior to a job referral.
- Expanding **on-the-job training, apprenticeships**, and **career-technical education pathways** to get new workers in the door and up to speed as quickly as possible.

There were also several overall **policy issues** that employers felt were limiting their ability to find, train or retain employees. Employers encouraged WorkSource and OED to examine:

- The **structural cliff of unemployment payments and other government funded services** that end abruptly at the time of employment and do not help workers with limited means transition into new jobs.
- **BOLI restrictions** on the use of machinery and equipment that prevent youth from obtaining early exposure (and interest) in trades and vocational occupations and journey/apprentice ratios that limit the number of apprentices business can have.

There were four high value services that employers identified as foundational services that maintained the pipeline of qualified workers. These were:

- Expanding WorkSource’s **customized recruitment** process and developing industry sector specialists as the program expands.
- Advocating for and working with K-12 and community colleges to expand **career and technical (“vocational”) education and skills centers, and to establish trade schools.**
- Enhancing access to **youth programs that provide early work experience and job readiness skills**, ensuring that these programs reach the broadest base of all youth, not just those at risk or high performing.
- Focusing **career planning and job preparation services on opportunities in regional industries;** Sharing this information with K-12, community college and other educational career counselors as well as their students so that information on a wide array of occupations (not just college-bound) is current and consistently promoted.

In terms of other value-added functions, employers wanted WorkSource to:

- Have a more **consistent brand** and overcome the outdated perception of the “unemployment” department and strive toward an image where all workers, employed, unemployed or under-employed would come to be connected with appropriate training or employment.
- Establish a **concierge type system** where there is no “wrong door” to enter. Where WorkSource partners have a clear understanding of each other’s programs and can share this information enabling employers to continually meet with or provide information to multiple organizations within the WorkSource system at one time.
- Utilize the information collected by WorkSource databases not just for job placement and referrals, but as a customer relationship management (**CRM**) **system** for proactive analysis that can develop forward thinking training and job preparation services and better two-way communication with employers.
- Assist with **intergenerational workplace dynamics;** helping employers understand how to accommodate style/expectation differences and helping workers understand the types of difference that are non-negotiable in certain workplaces.
- Provide **HR and succession planning** help to small businesses, as well as helping these companies with basic HR related needs like how to write good job descriptions or screen and hire employees. In rural areas this would mean having a specialist travel throughout the region.

*At the end of the day, employers defined WorkSource’s success as supporting a workforce that helps businesses grow, to hire new employees and sustain competitiveness by investing in **continuous skill development.***

FORUM SUMMARY: Provider/Partner Highlights

The provider section of the regional forums started with the end in mind—specifically asking what an effective WorkSource system would look when it was adequately aligned with employer and job seeker needs. The forums then discussed how to reach this vision by identifying what was working and where innovation was needed. Many of the vision statements and suggestions for innovation were very consistent throughout the regions. Common themes and desired programs or services are described below.

A Shared Vision and Key Services of a High Performing WorkSource System

Acting as a cohesive system

- Having a more uniform branding of WorkSource with
 - Consistent use of WorkSource as the overall brand name,
 - Co-location of service providers, and
 - Joint marketing of partner services, all under the WorkSource brand.
- Establishing a system where partner services are well known to each other and those services are better coordinated among providers, appearing seamless to the customer by:
 - Sharing databases and linked program information,
 - Greater standardization of program eligibility, and
 - More consistent training and joint on boarding of staff.
- Developing a common set of customer-focused metrics that are used to set program metrics within individual agencies or organizations.

Focusing on high value, high impact services

- Allocating more resources toward work-based training that enhance employee productivity and helps employers to be more competitive and positioned for growth. Such training must accommodate unemployed, under-employed and incumbent workers.
- Expanding customized recruitment, which includes verifying skills and credentials of candidates and connecting employer information to job preparation and career planning services.
- Having a multi-tiered triage process for job seekers (rather than a one size fits all welcome process) that could quickly identify customer needs and the level of service required so those with fewer needs could quickly find assistance and those with greater needs could receive more coaching.

Being more proactive and customer driven

- Developing a more systematic way to work with regional industry sectors and business groups to identify potential hiring needs as well as basic, critical and hard to find skills that are common among groups of employers.
- Establishing methods by which hiring trends and critical skills can be more systematically analyzed by region and industry. Using this information to:
 - Develop cohort-training programs for skills common to an industry or multiple employers (such as customer service and basic office software skill for hospitality and related industries).
 - More complete and robust profiles of local industries that include desired skills and descriptions of the work environment and workplace expectations that can be used in career planning and job preparation services.
- Having stronger collaboration between small business development centers and chambers or business groups to help businesses, especially small businesses, be more strategic about HR and succession planning.

Helping youth become job and career ready

- Reinvesting in vocational and career/technical education in high schools and community colleges, stressing to students and counselors the importance of these skills not just for jobs in manufacturing or the trades, but also for a wide array of professional/technical occupations where applied problem-solving skills are highly desired.
- Creating more strategic connections between WorkSource and K-12 educational partners to:
 - Share information about local career opportunities with students and career counselors, stressing all types of careers not just college bound occupations.
 - Help youth understand the importance of job readiness skills working earlier with youth on job preparation skills such as basic communication skills, interview conduct, and basic workplace expectations.
- Providing more opportunities for early work experience to all youth, not just those who are high risk or high performing.

Unique Rural Needs

Some challenges and desired services differed by region, with the most contrast occurring between urban and rural areas. Rural areas appeared to have some additional challenges, mostly due to geographically disbursed offices and customers that require more flexibility in how some services are delivered.

Establishing mobile service delivery

- With less concentrations of both employers and job seekers, rural regions identified a need for more ‘mobile’ services for staff to travel to different parts of the region, rather than having customers travel to WorkSource offices. This was especially true for staff with industry specialization or less frequently needed services such as HR and succession planning for small businesses. Two ideas were mentioned: 1) having a mobile office (e.g. the book mobile) that could travel directly to employers or places where job seekers gathered, and 2) having a place inside a local Chamber of Commerce, SBDC, or local government office where a staff person could conduct business.

Addressing unique challenges of seasonal workers

- With a higher reliance on tourism, agriculture and natural resource industries, rural regions noted more challenges with seasonal and part-time workers. Helping them find multiple jobs and work within unemployment insurance requirements is a constant dilemma. To help address this issue several ideas were suggested:
 - Have OED - at the state level - conduct an analysis of seasonal jobs for each region and note those with complementary skills and where the seasonality (the timing of work) dovetails with one another.
 - Use the above information to develop basic skills training programs that can build skill sets crossing industries or jobs. Work with employers on better job referrals for seasonal workers.
 - Examine UI restrictions to identify the means by which seasonal workers might be able to work a limited number of days without losing all or part of their unemployment insurance.

When asking WorkSource providers and partners about priorities—what they needed to “get right”—recommendations were broader than just more funding. In reviewing key issues, most did not require new or additional funds, rather a shift in how resources are being used. These high priority recommendations can be categorized in four segments:

- **Operational changes:** Issues that were not based on resource allocation such as having common metrics, developing joint strategic plans between agencies, more interaction among staff to share best practices, etc.
- **Policy refinements:** The ability to leverage resources and improve the impact of workforce services by examining and adjusting policies such as apprenticeship requirements, how UI impacts seasonal

industries and jobs, the use of technology and social media to reach and communicate with customers.

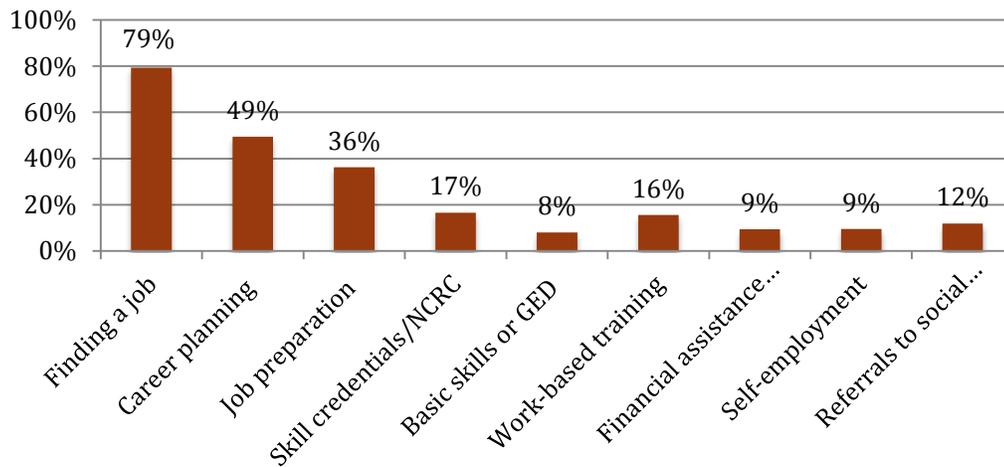
- **Resource reallocation:** Changes that would shift resources from services that had low value or impact to services with higher customer value. Examples include less resources allocated to job postings and more on work-based training and customized recruitment, more industry specific skills training through small groups (cohorts) rather than individual training not linked to local jobs, or moving to a multi-tiered triage/welcome process by simplifying I-Match Skills.
- **Resource enhancement:** Services or foundational issues that will require new or additional investment. A primary example includes the reinvestment in career-technical (vocational) education across the state.

Job Seeker Survey Summary

The job seeker survey asked questions related to the initial perception of WorkSource, the services used, the satisfaction with services, the reason for not using certain services, and what respondents would like to see in future services. Unless noted, responses were similar across regions, and issues with services were generally related to program restrictions rather than the knowledge or helpfulness of staff.

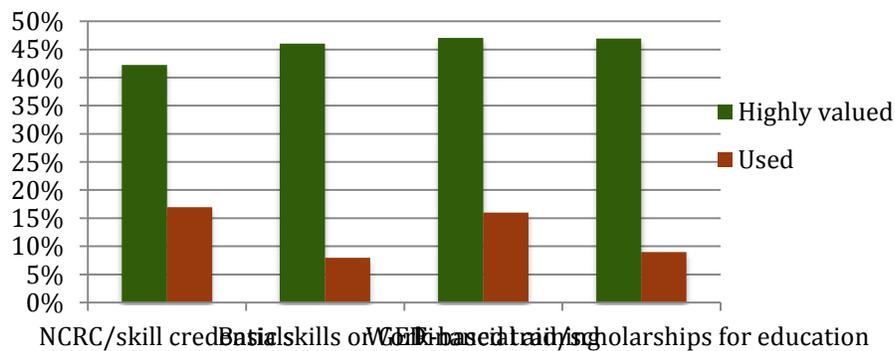
- More than 80% of job seekers knew little about WorkSource prior to their use or viewed it narrowly as a place for unemployed workers. This underscores perceptions of WorkSource still having the stigma as the “unemployment department.”
- Almost 90% of respondents first came to WorkSource due to their unemployment claim; few came because they were seeking services outside of unemployment. This reinforces the claims that the public does not know WorkSource offers training, skill development, youth and other workforce services.
- Once in the door, respondents used WorkSource primarily for three related job placement services—79% used job referral services, 49.5% took advantage of career planning and assessment services and 36% used job preparation services.
 - More than 80% thought these services met or exceeded expectations.
 - More than 60% of those dissatisfied had some postsecondary education and commented that services were too basic or jobs did not match their skill/experience level.
 - Those that did not use the services felt they did not need them.
- Training and skill development services were far less utilized – ranging from 8-17%, often lower in rural regions, especially in Eastern Oregon. These included basic skills training, work-based training, GED courses, financial aid for school based training, and National Career Readiness Certificate (NCRC) or other credentials.
 - Approximately 70% of those using the services thought they met or exceeded expectations (lower than the job placement services).
 - Those dissatisfied with the services noted schedules were inconvenient or not offered often enough, or that the program restrictions or content made them less than optimal.
 - While many not using these services felt they did not need them, a significant portion of respondents noted they did not know about them or wanted to use them yet were told they did not qualify.

Use of WorkSource Services Statewide



- The current use of training and skill development services are low (approximately 12% of respondents noted using these services). This is due primarily to the amount of resources currently allocated to them. To understand the potential need and value for these services, job seekers were asked to what extent would they value or use these services in the future if they were more readily available. In general, over 45% of respondents viewed them as a very valuable part of WorkSource services (the green/left handed columns in the chart below), and another 38% said they had some to moderate value (not represented in the graph). Comparing the current use of training and skill development services to the percent of job seekers that placed the highest value on them, we can approximate a value gap for these programs. These gaps were most acute in rural areas of the state. The gap clearly indicates that current training services are not adequate to meet the potential demand. Write-in comments indicate that the content and delivery of these services also need to be updated.

The value respondents place on having skill development and training programs



- iMatchSkills (the job matching tool) was not well utilized; almost 60% of those starting iMatchSkills did not complete it. An overwhelming number of write-in comments used terms like complicated, hard to use, useless, cumbersome, or ineffective to describe iMatchSkills.
- Customer satisfaction with staff was very high. Statewide, over 90% of respondents had a favorable experience with WorkSource. When asked what their best part about the WorkSource experience was, respondents choose friendly and knowledgeable staff and a welcoming office three times more

often than other choices. Write-in comments underscored this with positive statements about how hard staff tried to assist even if program eligibility may have prevented the respondent from using a service.

Six implications from the job seeker survey data stood out that had high correlation to input from employers and providers. These were:

- People’s misperceptions about WorkSource prevent those not seeking unemployment insurance from using the system, narrowing the pool of more qualified applicants significantly.
- Employers report using WorkSource for posting mostly entry-level or lower wage jobs (due to their perception of who uses the system), while 39% of WorkSource users have an associates degree or higher. This has resulted in a lack of services, operating processes or job posting for those with higher education levels who are unemployed or looking for a new job.
- Current job matching tools (iMatchSkills) is ineffective; with job seekers noting that the one size fits all triage process is not working. They do, however, view the staff assistance and coaching as very useful.
- Training programs, especially work-based programs, are highly valued by job seekers and they wish to see more resources allocated to training and increased flexibility in being able to utilize these programs.
- There is a disconnect between the low use of basic skills training and the high percent of job seekers with low educational attainment levels. This could imply that the capacity of basic skills programs may be inadequate; the content may not be well connected to jobs, or the marketing to job seekers is not effective.
- Regions with lower levels of partner integration and co-location had the lowest customer satisfaction rating, emphasizing the importance of intentional collaboration in providing a seamless delivery system.

SOUTHERN OREGON FORUM

Medford

April 14, 2014

On April 14th 2014, approximately 71 employers, business groups and service providers gathered in Medford to discuss workforce issues in Southern Oregon region. Employers discussed trends and what they need from workforce services to find qualified workers and remain competitive; service providers and workforce partners discussed how the system could better respond to employer and job seeker needs. This is a summary of their strategy session.

Part I: Employer Session

Employer Workforce Trends in Southern Oregon:

We asked employers about the trends that are affecting how they find, train and retain employees. What challenges have they faced in this part of Oregon and how have these challenges affected their business.

Trends in finding qualified workers

- Overall, employers noted the **quality of applicants seems less adept while the quantity of applicants is increasing.**
- There exists a perceived **lack of basic operational skills in manufacturing and trades** especially for positions that rely on meeting quality control measures.
- Employers are **using an array of recruitment resources** and methods to find employees:
 - Craigslist
 - Referrals from existing employees
 - Partnerships with OIT, SOU and Rouge Valley Community College
- **Social Media** has become important in recruiting: Facebook and Twitter for entry level and LinkedIn for Executive level positions. There is a trend in Southern Oregon towards spending **more time and effort in the hiring process.** Mistakes in hiring are costly and it was reported that hiring managers are **being more deliberate and careful.**
- Employers say they **rely more heavily on staffing agencies for temporary workers.** While this allows for a workforce that is “virtually on-demand,” employers recognize that temp status delays the employer’s training investment in the worker, and in turn the worker’s commitment and sense of belonging to the organization.
- **Rewriting job descriptions** is yet another approach these employers are using to clarify what their jobs really require. To make **job postings seem more “fun”** and to address the work-life balance concern, some companies are changing job descriptions to more of a **“day in the life” narrative.**
- **Mentoring during on-boarding** is fast becoming a common practice. This accomplishes two goals; **faster enculturation** of new employees and increased job satisfaction and engagement on the part of the mentors who usually enjoy imparting their institutional knowledge to the new workers.
- **The cost of transportation** in the region is expensive for job seekers traveling to interviews and the relative cost of the daily commute for workers in the entry-level positions.
- **Generational differences affecting behaviors and expectations** among workers were a concern among employers from the early boomer demographic. The upcoming generation is just as concerned about work-life balance as they are about having a career.
- **Employers noted that some applicants are applying for their open positions to satisfy unemployment insurance requirements** to demonstrate weekly job search activity. In many cases

- these applicants are not qualified for the jobs. A possible solution mentioned was **better initial screening prior to referral.**
- **Employers have found that hiring workers for temporary and part time work during the off-season is difficult.** Many workers use unemployment insurance (UI) to fill in during off-season lay-offs and the UI policies often create a disincentive for job seekers to take the job.
 - Employers are finding that **some job seekers won't accept positions if taking the job will cause an abrupt termination of their wrap-around governmental benefits.** Some applicants need transition time and a ramp-down period from reliance on government assistance. For example, if there is a concern over losing housing allowance or food assistance it can be a disincentive for a job seeker to choose the employment opportunity.
 - Some employers noted **concern about expanding beyond the 51st worker** due to requirements of the Affordable Care Act.
 - Employers are finding that applicants who lost jobs to no fault of their own are **less motivated to take jobs of less or equal pay.** It was suggested that perhaps a WorkSource program could **supplement the difference** for a period of time or until the employee catches back up.

Trends in training and retaining workers

- **On-line training & recruitment** is becoming more prevalent. Just in time or burst learning was mentioned as those approaches do not incur a full day of lost production.
- **Employers are emphasizing the Southern Oregon lifestyle** as a way to entice applicants to the region. It is seen as a part of the "compensation package."
- More businesses are **developing in-house training** for upward movement and for leadership/management development. While the companies know the skills, knowledge and abilities they need, many report they are **not well equipped to deliver** these types of training.
- The **Trio program** was mentioned as a success with one caveat; often the student who is eligible comes from a family where no one has post-secondary education or experience navigating the employment application process.
- **Tuition reimbursement** is an approach used by employers to retain workers. Several businesses noted that they will work with students and pay for all or a part of their higher education if they agree to work for the business for a specific period of time.

What Employers Value

Employers were asked to describe valuable workforce services, regardless of who provided them. Where did services have the greatest impact on their ability to find or retain employees, or their ability to ensure that workers were productive contributors to the business?

Training Services

- **Almost all employers place a high value on work-based training.** Work-based or on-the-job training that brings new employees and incumbent workers advancing to different or higher skilled jobs up to speed as quickly as possible. For some industries, including manufacturing, the return on investment for new hires is 12-18 months. Many would like to see the state share costs and risk in the new hiring process and noted models that are working in other states. An example specifically mentioned is the **Georgia Works model** which utilizes a 3-month 100% wage subsidy from Unemployment Insurance, similar to Oregon's previous Jobs Plus program for UI (the Jobs Plus still exists for TANF clients, but not UI clients). These programs help offset the high initial costs to employers..
- **Employers want to see customized training, especially where WorkSource and community colleges leverage resources** to deliver training that is aligned with business needs. Employers commented that curriculum creation took too long, sometimes up to 18 months to adjust to workforce needs. WorkSource training specialists should be more responsive and move "at the speed of business" as one person put it.

Workforce Preparation: Career Planning, Job Readiness Skills And Basic Skills

- Employers find value in **the job preparation services** that WorkSource offers to applicants that include how to write a resume, present themselves in an interview, and other guidance in effective job searching. Employers, however, feel that not enough applicants take advantage of this.
- **Employers think highly of programs that engage them directly with high school students in areas of career planning.** They noted the following effective efforts:
 - **Careers in Gear.** A good idea but needs follow up as it takes place at the end of the school year and momentum is lost. Have refresher events throughout the year to reinforce career options. This could be followed up at the college level.
 - **Open houses** where businesses talk about what they do and what education it takes to join their company.
 - **Early work readiness** in high schools, in K-12, embracing more programs like Junior Achievement.
 - **Entrepreneurship programs** that highlight business skills.

Assistance With Talent Acquisition

- Since many employers use staffing agencies, they view the **two-way communication between WorkSource and staffing agencies** critical for the development of a stronger applicant pool and more seamless referral processes.
- **Employers value good data and informatics.** They would like to see more analytics applied to the WorkSource system. For example, looking at pools of applicants for common skill gaps in order to proactively provide relevant and timely job readiness training, or understanding the seasonality of jobs to prescreen applicant pools for anticipated openings. Employers would also like to see recruitment and referral databases managed more like the popular and effective customer relationship management (CRM) systems used in business to manage sales relationships.
- Employers think highly of WorkSource's **customized recruitment** that offers active, focused job fulfillment services. The value is both immediate and long-term: businesses get qualified workers and WorkSource staff develop an understanding of the employer and their industry that continues beyond the immediate job placement.
- Employers and staffing agencies value **prescreening functions, especially drug testing.** Staffing agencies in particular would like to see drug testing as a requirement for receiving WorkSource services.

Collaboration with WorkSource Partners

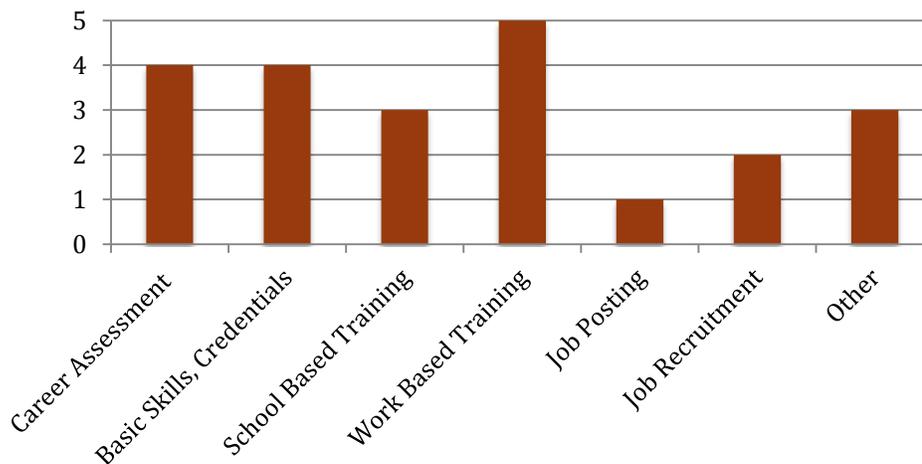
- **Employers want to work with one contact and easily have access to all relevant services.** They don't know what's available to them and want a "concierge" to lead them to beneficial programs and services seamlessly without concern about agency jurisdictions or provider boundaries.

Desired Allocation of Resources

We asked employers to allocate where they would like to see WorkSource resources allocated by key work-based training for new or incumbent workers, d) school-based training, e) job postings, and f) active job fulfillment (recruitment and screening). They were also allowed to list any other services that were not part of the current service offering.

Each employer was given \$100 (of play money) in \$5 increments and asked to spend the money these functions. The results were then totaled and adjusted to a scale of 1-5 where 5 represented an area that employers wanted to see significantly more resources, and 1 was an area where they saw little value. The following is a summary in order of importance what they hoped to see in the future.

Desired Allocation of WorkSource Resources by Southern Oregon Employers



Employers in Southern Oregon noted the need for significantly more **work-based training** and it topped their list for resource allocation. Having more **flexible OJT funds for incumbent workers, and more apprenticeships** and career-technical education pathways are critical to their ongoing competitiveness. As with other regions, employers viewed this as a return on investment (ROI) issue. More training funds would mean their workers would be productive sooner and their business would be more successful. They also thought that there was a role for the state to cost share more accurately based on the actual costs and time to train new employees. For example, if it takes 6-12 months to get a new worker up to speed, and turnover risks are still high as employers continue testing for goodness of fit. A 6 month Georgia Works or UI Jobs Plus program would help to share the cost and reduce the risks, and workers would be considered temporary employee compared to the current Back to Work Oregon OJT program..

This suggests that WorkSource:

- Allocate more funds towards work-based training and enable a portion of those funds to be used for incumbent workers.
- Establish a tiered structure for training that is cost-shared based on an ROI model.

Employers also wanted more resources allocated toward **career assessment and job preparation**. Specifically, companies wanted the WorkSource system to have **more information about local industries** and careers, and ensure this information was covered in K-20 education for students and guidance counselors. They also wanted to see career assessment and job preparation include an understanding about various **work environments and working conditions** in order to set accurate expectations about the skills and behaviors required to be successful on the job.

This suggests that WorkSource:

- Develop more robust information about local industries and jobs, including both skill and work environment information.
- Work with K-12 to share information about local careers and help bring employers into classrooms and career fairs.

Basic skills and credentials rounded out the top three requests for resources. In this category employers stressed the importance of **vocational skills** and the ability to **verify a worker's credentials**. The lack of vocational education in K-12 meant that many applicants lacked the basic skills necessary in manufacturing and trades positions such as reading a tape measure, or operating a machine. Applicants were also found deficient in many of the basic **customer service skills** needed in retail and professional

service jobs. In addition, there was much conversation among the employers about applicants not understanding the business need for quality. In school a “C” grade means you pass. At work “C” grade work is not good enough. Such a low standard is not acceptable to most employers and will result in job termination. They would like to see the basic **concepts and applications of quality control** included as part of basic skills training.

This suggests that WorkSource:

- Develop basic skills-training that includes more base knowledge and applied learning for customer service and quality control.
- Develop a system whereby credentials can be verified before a referral.
- Be an advocate for enhancing vocational education in K-12.

In addition to the traditional functions of WorkSource, this employer group placed significant emphasis on better two-way communications with employers and having a **more robust customer database (CRM system) that connected job seeker information with employer needs**. A way to systematically **analyze data from both the supply and demand side** to proactively identify gaps in skills or trends in hiring that could allow services to be more connected with local economies.

Other highlights included:

- School-based training resources centered on vocational education and early work experience for youth.
- Maintain customized recruitment and work more closely with staffing agencies.
- Address the cost to screen applicants, including mandatory drug testing.

Part II: Provider-Partner Strategy Session

Immediately following employer input, WorkSource providers and partners conducted a strategy session to explore the following questions:

- Based on employer and job seeker input and your experience, what does an effective WorkSource system look like? What are the desired outcomes?
- Based on this vision, what's working?
- Where are the opportunities to do things differently or to be more innovative?
- Of all the issues discussed in the above questions, what must we "get right" (what must be in place, what must we do first, etc.) in order to reach our vision.

What is the vision of an effective WorkSource system?

Overall

- **Business needs drive** the workforce system, and workforce plans are **well integrated into regional economic development strategies**.
- **Employers and job seekers use the system** because it is **customer focused** and can easily respond to their needs at whatever stage or level of experience and education they may have.
- There is **no wrong door by which customers enter** because partners have a seamless referral system.
- The process **accommodates a combination of coaching with appropriately placed tools** and services so that there is both **consistency in the quality**, yet flexibility and **customization for individual customer needs**.
- **People are aware of WorkSource** and WorkSource is known for training, career development and other services beyond the preconception that it only assists unemployed Oregonians.
- **A broad cross section of employers are engaged in WorkSource** because the pool of potential workers and other business development **services are robust and responsive to changing needs**.

Services to employers and industry groups

- Funding is redirected to **support more work-based training**.
 - There are more **incumbent worker training services** that help increase business competitiveness and worker retention which prevents unemployment. Expand upon the region's successful PowerUp Academy.
 - There are more work-based training services such as the Georgia Works/Jobs Plus program, On the Job Training and other work-based trainings for transitioning workers.
 - There are **more programs for youth to gain work experience** that includes summer and seasonal work, apprenticeships, etc.
- WorkSource provides **services that help businesses be competitive** as well as find quality workers. For example, giving employers access to current salary comparisons.
- **WorkSource collaborates with staffing agencies** to broaden the applicant pool, and enhance the basic and base skills of candidates in order to better meet employer qualifications.

Services to job seekers and youth

- **Career information** clearly shows the basic, soft and technical skills needed for jobs in various **industry sectors** with additional information about **regional employer expectations**. Assessment tools are aligned with this information to easily create pathways for jobs seekers.
- K-12 and community colleges have **strong vocational education** programs **connected to regional industry**. Technical and STEM (Science, Technology, Engineering and Mathematics) programs at the region's 4 year higher education institutions (SOU and Oregon Tech) are also strongly connected to regional industry.
- There is a **multi-tiered, user friendly triage process** that quickly moves people into services

pathways. For example, job seekers with experience and fewer needs can use self-service effectively, others may need a mix of personalized and self-service, and those with multiple needs that may require more coaching.

- Staff provides **personalized services with an advisor or coach that helps a customer navigate various referrals** with accountability is to the customer, not the process.
- There are **mandatory industry-directed hiring requirements, such as drug testing**, that WorkSource performs to pre-screen job seekers before they can use additional services, and occurs prior to the referral to employers.

Partnerships and systems integration

- All **partners collaborate with common vision, services and results—the broad “we.”**
- WorkSource staff is well-trained and cross-trained to understand how partners and providers contribute to the value chain of workforce services with visual maps of services and unique contributions of partners. Where possible services are co-located, co-marketed and co-branded with a shared website.
- WorkSource partners are **quality driven** with a share set of **customer outcomes that drive services**, rather than metrics tied to the quantity of services provided by each agency.
- **WorkSource and K-12 work closely together** to promote a broad range of careers that are tied to local industries as well as to student skills.
- There is a **comprehensive client records management system**:
 - Key information collected in **databases is shared among providers** resulting in less duplication of services and **easier transitions for customers** to utilize different services.
 - There are **cohesive metrics** used by all key partners.
- We have the ability to **share ideas and pool resources** so we don't reinvent the wheel.

What's working?

Overall

- **Partners are working together** and share a passion for helping job seekers and employers.
- There is growing awareness about the **need for vocational training** although resources are not available yet.
- **Wrap around services** are assisting people with barriers

Services to employers and industry groups

- Services provided by the **small business development centers are working effectively** in helping the smaller employers in the region. In addition there is strong support for entrepreneurial efforts and **business incubation programs**.
- Supporting employer **job fairs** and marketing local career opportunities.
- **Work-based training** programs like Jobs Plus, and OJT are working well although more flexibility in delivery options and targeted content could better meet local needs.
- **Producing economic and occupational information** that is specific to regions and industries.

Services to job seekers and youth

- Reemployment eligibility assistance that offers **more coaching and personalized services** for job seekers.
- **Training programs that are industry driven** are effectively providing targeted and timely support to job seekers such as Power Up Academy and the Foundation Skills program.
- **WorkSource is helping applicants to get their GED and NCRC certifications** that positively affects job seeker self-esteem and employer interest in applicants.
- **Programs such as Career in Gear and Youth Success Expo** are bringing youth together with educational professionals and employers. These programs have been very successful in **exposing students to careers in the region** and the opportunity to network with employers from all different

industry sectors.

Partnerships and systems integration

- **Co-location of partners** with access to leadership has yielded greater efficiencies, effective referrals and stronger collaboration.
- Having **intentional networks of partners** who are providing important services to job seekers such as Southern Oregon Success, the effective alignment of DHS and WorkSource programs, and the collaboration of DHS with mental health services.

Where can we do things differently or innovate?

Overall

- **Organize services and metrics that are customer-driven**, then **leaning processes** so there is more ability to serve individual customer needs across partners rather than batching services by agency.
- **Develop larger pools of applicants**; working with community colleges, staffing agencies and others to increase the number of applicants in the system.
- Establish a region-wide strategy that **brings together industry-education and WorkSource** to address **vocational education** needs and resources.

Enhanced services for employers and industry groups

- **Establish a process by which employer services are driven by a return on investment (ROI)** process that clearly defines the value to employers. This leads to **more employers using the system** and more job seekers seeking WorkSource services to access these jobs.
- **Develop sector specialists with WorkSource** that are well versed on regional industry needs and skills sets. Specialists are shared among regional offices.
 - **Specialists understand the “base” skills needed by each industry** (the level above basic skills that are common across multiple occupations within an industry such as mechanical aptitude or basic quality control for manufacturing or specific customer service skills for e-commerce companies).
- **Provide more and various options for targeted work-based training** that could include cost-sharing among regional employers (Georgia model). This will foster greater willingness on the part of employers to take the risk in hiring new workers. Provide additional resources for incumbent worker training, especially those that tie-in with economic retention and expansion projects. Connect WorkSource and community college training resources in these efforts.
- **Expand apprenticeship programs and career-technical education pathway programs** Partner with labor, utilities and other large private and public sector employers to enhance the use of apprenticeships and current or newly formed **career-technical education pathway programs**.
- Be more **proactive in understanding business employment needs** enabling WorkSource staff to refer qualified candidates who are a good “fit.” Employers will be more inclined to invest time and energy in bringing new employees up to speed.
- **Host employer fairs** where businesses speak directly to job seekers about skills, job readiness and workplace expectations. **Have WorkSource staff and staffing agencies attend** so they also hear and reinforce this message.

Enhanced services for job seekers and youth

- **Fund youth programs that provide work readiness skills and work experience.**
- **Retool iMatchSkills** or create **better and quicker assessment tools** that do not overwhelm new customers, is **tiered-based on the customer’s profile**, and where **information is used for more than job matching**.
- **Develop a coordinated triage system that would be able to** identify eligibility to other partner programs regardless of which door the customer entered and provide customized services so those with fewer needs can use self-service programs and those with greater needs access more coaching.

- Have an **advisor or coach** for customers with extensive needs **who stays with job seekers** through referrals and training; **give customers a single point of contact** that can when appropriate assemble a **“task force” or response team** based on needs.
- Supply **comprehensive information about all training services** so it is easier for partners and job seekers **to determine the best use of resources**. Partners need to work together to refine training services and focus on their niche so there is **less duplication and more resources available for reallocation to other identified services**.
- **Use technology that is already available and familiar to customers** such as Skype, texting, Twitter, Facebook, email. Use these technologies to route notifications among multiple customers and partners.
- **Ensure NCRC is available at all high schools and WorkSource centers**. Provide clear data demonstrating the value of the certificate for job seekers and employers.

Enhanced partnerships and systems integration

- Develop a **cohesive brand for WorkSource that consistently uses the WorkSource name with all partners, use language that is easy to understand** and create more co-location opportunities where possible.
- **Promote a culture of cooperation where partners have regular events** for sharing information about programs, services and what’s working well. Conduct **new WorkSource employee orientation that contains information about services from all partners**, not just the hiring agency or organization.

What must we get right?

At the end of the day, we asked providers where to start. What aspects of the WorkSource system do we have to get right if Southern Oregon was to achieve their vision?

Have a cohesive vision that is customer driven and shares metrics that are consistently used by all partners.

Deliver services that are demand driven and implementing processes that **utilize lean principles** to increase quality while enabling more responsiveness and cost-effectiveness.

Provide a user friendly, multi-tiered triage system for job seekers that can create more individualized services based on needs. In keeping with the recognition that one size does not fit all, assessment resources can be reallocated to those needing additional coaching and individualized support.

Establish more effective integration between WorkSource and K-20 to promote both career and job readiness skills to students, educational staff and parents; these educational programs should include applied learning opportunities to help set realistic expectations about working environments, salary levels and hiring requirements.

Develop a shared data system with timely programmatic communications that is easily shared among partners and has features such as:

- Universal eligibility built in so “total” service plans for customers are efficiently developed and managed.
- Ability to identify redundant services to facilitate the redeployment of resources to high need areas.

Align staff expertise and programs with sector and economic development strategies:

- Sector specialists who can be shared among offices in the region.
- Robust information on skills and workplace expectations that is communicated to all staff working with job seekers.