

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

June 2014

Metro Region

Contains summaries of the following

- Statewide Assessment
- Wilsonville 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

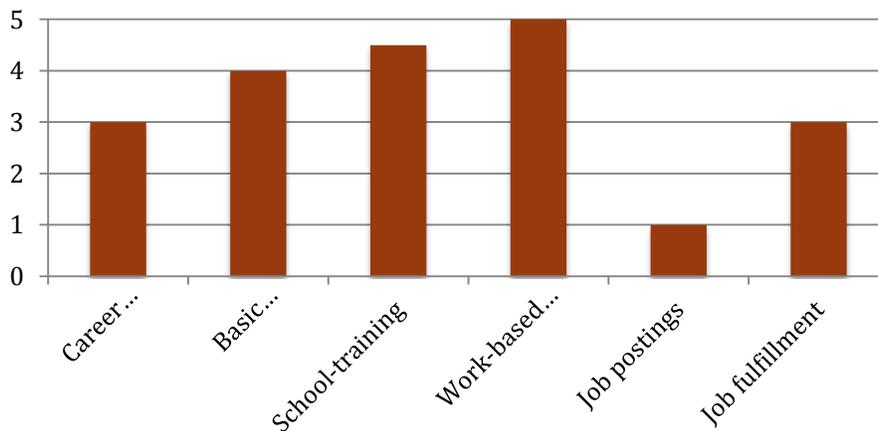
Employers view the WorkSource system as a set of inter-related services, where more efficiencies and impact could be gained through enhanced coordination and improved marketing of available services. To achieve this vision, businesses want WorkSource to have **a broader pool of applicants with a wider 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.

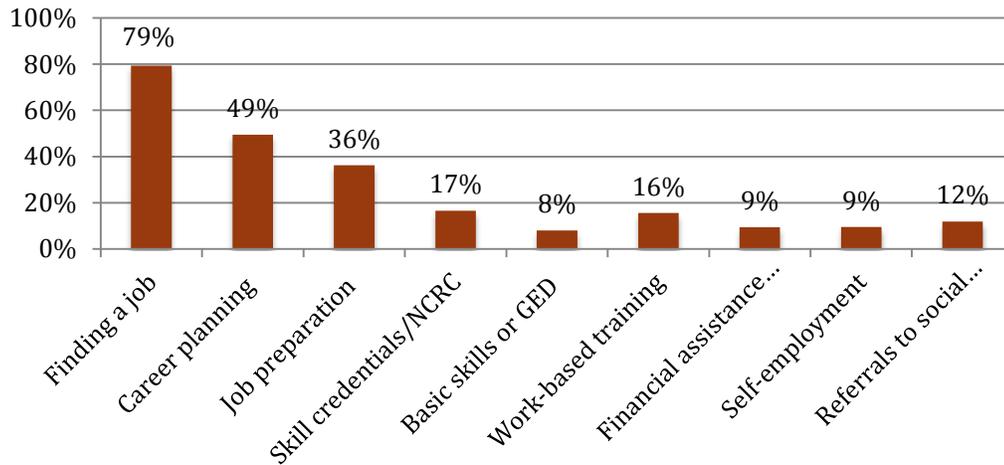
- **Resource reallocation:** Changes that would shift resources from services that had low value or impact to services with higher customer value. Examples include less resources allocated to job postings and more on work-based training and customized recruitment, more industry specific skills training 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.

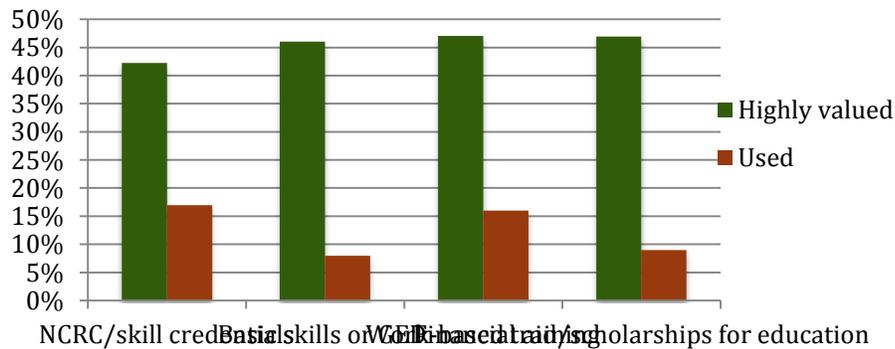
- More than 80% of job seekers knew little about WorkSource prior to their use or viewed it narrowly as a place for unemployed workers. This underscores perceptions of WorkSource still having the stigma as the “unemployment department.”
- Almost 90% of respondents first came to WorkSource due to their 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.

METRO REGION FORUM

Wilsonville

April 3, 2014

On April 3rd, 2014, approximately 86 employers, business groups and service providers gathered in Wilsonville to discuss workforce issues in the Metro 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 the Metro Region:

We asked employers what trends affect how they find, train and retain employees. What challenges did they face in this part of Oregon and how these challenges affected their business.

Trends in finding qualified workers

- **Companies are increasing their use of staffing and temporary agencies.** Utilizing a temp to hire approach helps employers find qualified workers who have been screened for “fit” and basic skills, and who can be evaluated during the temporary period for regular employment status.
- **Students graduating high school have less interest in working in the trades.** Employers believe that the lack of vocational training and exposure to industry related topics during the K-12 educational years precludes young people from discovering their talents in these areas. Students have little hands-on experience with machinery and with mechanical tools resulting in fewer young workers with the base level of skills to qualify for entry level construction and manufacturing positions. In addition, school counselors may not perceive these jobs as leading to good careers, and consequently do not encourage students to pursue them.
- **There are fewer young workers today with some type of work experience** than in past generations. Employers perceive a decrease in high school cooperative work programs, summer jobs, and internships that is affecting the work readiness of high school graduates. This is manifested in the lack of interview skills, poor interactions with co-workers, punctuality and attendance issues, inappropriate dress, continual use of cell phones at work.
- **Small businesses have difficulty hiring** especially if work has seasonal aspects. Most workers want and need full time and year round work. Many workers are penalized when they accept part time work while participating in state and federal support programs.
- **Companies are hiring and re-hiring a greater number of post-retired workers** because of their specialized skills and knowledge of company culture and expectations. In some cases, this makes good sense for employers, however when positions require training in newer technologies, some employers are not willing to make the investment in the older workers.
- **There is a scarcity of job applicants with specialized technical skills.** Private and public organizations are competing for qualified information technology (IT) professionals. Some employers will raise pay

levels, offer sign-on bonuses, help find jobs for the trailing spouse/partner, and find creative ways to attract and retain the talent they need.

- **Generational differences impede hiring.** Many managers find it difficult to relate to the millennial generation and their inability to “fit” into traditional workplaces in terms of their shorter tenures of service, perceived lack of work ethic and need to advance quickly. This creates a reluctance to hire the younger workers.

Trends in training and retaining workers

- **Employers are providing greater flexibility of work schedules.** Many employers who want to hire and retain young workers to fill their talent pipeline recognize the need to adapt schedules to allow time for school and various types of training and development.
- **Employers are implementing their own paid intern programs to fill entry level positions with younger workers.** One employer developed a customized internship program to recruit, train and evaluate new young workers. Approximately 20 interns per year are placed in all functions of the company with a cost per intern of \$3,800 and a company ROI of \$11,000. Many new hires come directly from their own internship program.
- **College internship programs have been successful, but have decreased in recent years.** Six-month internship and cooperative programs for college students enrolled at PSU, George Fox, Oregon Institute of Technology and others have led to many direct hires. Unfortunately, the recession and lean budgets have decreased the number of internships offered by employers.
- **Employers want strong base skills in mechanics, work ethic and aptitude for their trade positions rather than specific machine skills.** Employers are beginning to invest in company-specific training once they are assured of the base skills.

What Employers Value:

Employers were asked to describe what was valuable about 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

- **Employers value work-based training** and school to work training programs aligned with local and regional workforce needs, including:
 - Work-based training (e.g. **OJT**) designed and targeted for immediate openings.
 - **Incumbent worker training** assistance to advance employees to higher skill/wage jobs.
 - **On-site supervisory training** to develop internal talent to take on management responsibilities, rather than hire externally for new employees unfamiliar with their organization’s processes and culture.
 - School programs that provide the basic training, **credentialing**, and certifications to qualify workers for professional and technical jobs.
 - Training designed to aggregate the needs of small businesses and industry groups to maximize resources and support the training of greater numbers of employers and job seekers in the region.
- Employers want support from WorkSource in **coordinating internships and apprenticeships** in areas of program design, oversight, performance assessment and funding. Employers, particularly of small businesses, do not have the bandwidth to manage this type of program, but see it as a viable pipeline for new employees.

- **Manufacturers and other businesses would value more funding for trial service programs** such as the Multiple Engineering Cooperative Program (MECOP) that allows employers to evaluate worker performance over a period of time prior to investing in OJT.

Workforce Preparation: career planning, job readiness skills and basic skills

- **Employers want to see strong basic academic coursework as requirements for high school graduation.** They want students to receive the core knowledge and learning skills needed for many skilled jobs in the region. Particularly, students need competency in basic math, physics, writing, critical thinking, etc.)
- **Industry needs more “school to work” programs to fill their job pipeline.** They would value high school and middle school students who are exposed to vocational training and skill development at an early age, and where teachers and counselors identify students with industry aptitude and provide them with career information and work experiences. Employers also want to see schools promote careers in the trades as desirable occupational choices.

Assistance with Talent Acquisition

- **Employers want a ready pool of qualified and skilled applicants** who will match their job requirements because WorkSource knows each employer’s organization and “fit” needs. Therefore, employers value the **comprehensive screening of applicants** for basic workplace behaviors as well as the required skill set. Businesses want WorkSource to **verify credentials and assess for mechanical aptitude**. They want WorkSource to be measured and **rewarded for qualified referrals and successful placements**, rather than simply the number of referrals.
- Employers value having ongoing relationships with WorkSource partners to provide the **ability to proactively adjust to hiring and succession planning needs** to ensure that retirement and replacement jobs can be filled without much loss of productivity. Small businesses would like WorkSource to provide assistance in HR planning—developing their knowledge and skill in effective interviewing, hiring and workforce management, particularly as they start their businesses.

Collaboration with WorkSource Partners

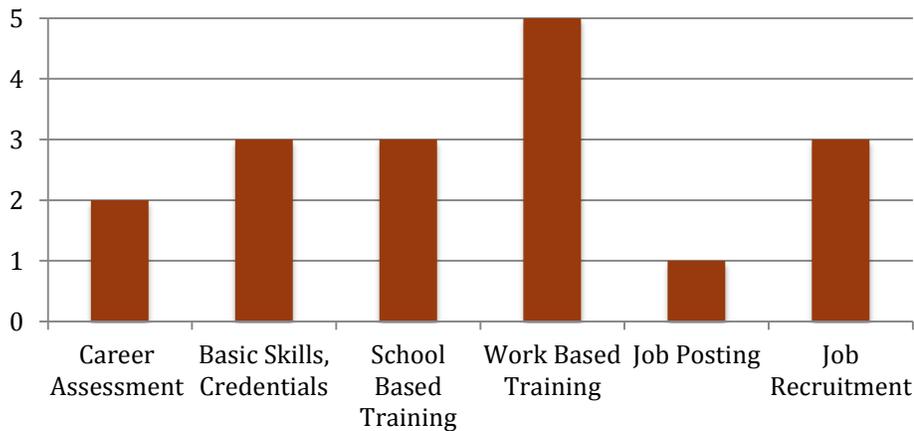
- Employers would like to see WorkSource take a **greater leadership role in connecting the needs of local industries to education and career planning in schools.**
- **Employers would like WorkSource examine policies that affect the ability for youth to obtain work experience in local industries.** This is especially valuable to manufacturing and trades where there are perceived restrictions with BOLI.
- **Employers would like to increase their awareness** about the full range of programs available to them through the WorkSource system. They want to hear about the successful “stories” of services, programs and outcomes.

Desired Allocation of Resources

We asked employers to allocate where they would like to see WorkSource resources allocated by key functions of a) career planning and job preparation, b) basic skills training and credentials, c) 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 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.

Desired allocation of WorkSource resources by metro employers



During the report back from employers, we asked why they allocated their money to certain functions or types of services. The following summarized in order of importance what they hoped to see in the future.

The employers attending the Wilsonville forum (a high concentration of manufacturing, construction and staffing agencies) clearly wanted to see additional resources allocated toward **work-based training**. More **on-the-job training, incumbent worker training and apprenticeships** top the list of needs. Manufacturing companies noted that bringing a new worker up to the skill or knowledge level to be productive took many months if not a year. Therefore, once an employee was hired and had the right fit for the company culture, it was essential for the company to build on their internal knowledge and specific training rather than recruiting externally. This underscored the need for incumbent worker training as a retention strategy, preventative measure against unemployment and a competitive advantage for the business. Making apprenticeships easier for companies to use was the other aspect of work-based training that was emphasized. Companies felt there were BOLI restrictions that prevented them from fully utilizing apprenticeship options.

This suggests that WorkSource:

- Increase resources dedicated to work-base training and ensure that a portion of funds are available for incumbent training needs.
- Work with BOLI and employers to understand perceived apprenticeship issues and identify ways to resolve key issues or provide employers with a better understanding of the system.

These three functions received equal weighting by employers:

Job recruitment services were not only highly valued by employers, they wanted to ensure adequate resources were maintained for the **customized recruitment** function. In addition, employers viewed recruitment as a broader function and wanted to see **job information by industry sectors**. In this way WorkSource could be more **proactive in understanding base skills** for each industry and working with the job seeker functions to provide career assessments and training to enhance the applicant pool.

This suggests that WorkSource:

- Expand the customized recruitment program throughout the region.
- Develop job skills and job readiness information by industry sector and identify proactive measures to enhance the pool of qualified applicants, working with regional economic

- development organizations and industry groups that already have a sector focus.
- Work jointly with other WorkSource departments that focus on career planning and basic skills training for job seekers in order to connect supply and demand issues in a more intentional fashion.

Similar to other forums, employers wanted to see the allocation of resources toward **basic skills and credentials** that emphasize **job readiness** skills as well as basic math and communication skills. Employers viewed **customer service** skills and basic understanding of how to use software for **basic business/office applications** should be considered as part of basic skills training. Employers were more concerned with being able to **verify industry-specific credentials** (e.g. welding) than spending resources on more generic credentials such as the NCRC, although many employers also admitted they did not have an in-depth understanding of the NCRC.

This suggests that WorkSource:

- Develop or add to existing basic skills training the job-essential skills that employers seek (e.g. customer service skills and software competency for basic business applications), and for WorkSource to work with recruitment functions to understand the job readiness needs of local employers.
- Ensure there is a process by which industry credentials can be verified prior to sending an applicant to an employer.

Employers want school-based training to be focused on three elements: 1) **increasing vocational education** in high schools, 2) **integrating job readiness skills into high school curriculum** (and coordinating with the basic skills needs as described above), and 3) helping to aggregate demand for and **train employees on middle-skills** such as supervisory and project management.

This suggests that WorkSource:

- Be an advocate with education for enhancing resources dedicated to restoring vocational education in K-12.
- Work closely with K-12 partners to ensure they understand the importance of job readiness skills and work to include these skills into curriculum.
- Work hand-in-hand with industry sectors and community colleges to customize training to leverage resources for middle skill training.

Overall, employers wanted a system where industry and government worked more collaboratively at resolving these very large and systemic issues. The tone of discussion was one of wanting to help and knowing that employers are partners in the workforce system.

With that said, there was a perception that WorkSource still operated as a push system—trying to push job seekers through the system to find quick employment (perhaps due to how the system measured outcomes). Employers defined effectiveness as a pull system that works primarily from the needs of local employers to ensure job seekers have the skill and fit to be productive employees with skills to find family wage jobs.

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 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

- WorkSource is a **welcoming system supporting all Oregonians** at all stages of their work careers-- including individuals currently employed in addition to those unemployed. A **system based on customer needs and outcomes** delivering services that will lead to careers with good wages and advancement opportunities.
- **We are a one-stop shop** approach with a single point of access for job seekers and employers whose individual needs are assessed and then guided to relevant services.
- **Business, government and academia work together** to expand our economy through an effective WorkSource system.
- WorkSource is a system that **teaches job seekers how to get a job, keep a job and grow in the job.** A system that also supports employers to hire an employee, keep an employee and grow an employee.

Services to Business and Industry Groups

- **There is business outreach with a single point of contact** providing staff the opportunity to develop relationships with employers and gain a deeper knowledge of their businesses and employment needs.
- **Employers are engaged** in the relationship with WorkSource because it delivers a meaningful benefit.
- **Certifications are employer-based** and help to qualify applicants for required basic and base skills that are industry specific.

Services to Job Seekers and Youth

- WorkSource locations are **easily accessible and located near public transit** and other service providers at the convenience of job seekers.
- **We have a user-friendly, single assessment process** and other job placement tools that are aligned with business and industry needs that can:
 - **Quickly route job seekers to the next step** in an individualized and streamlined way **without unnecessary or redundant efforts,**
 - Guide job seekers to all appropriate programs, services and training.
- Job seekers have access to **training that will prepare them for actual jobs** and close some of the skill gaps experienced by the unemployed.

Integration and Coordination among WorkSource Partners

- **Strong communication among all partners** that results in
 - Information sharing so all partners are knowledgeable about all services and resources,
 - All partners networked for referrals to one another, and

- o All partners marketing each other's services.
- **System-wide technology that is integrated**, user-friendly and utilizes a shared data base where customer information is accessible by all partners for effective and efficient customer service.
- **Having an applicant tracking system that is compatible with employer systems** for easy download that eliminates double entry.

What's working?

Overall

- There is a **very good "spirit" of collaboration, communication and cooperation** among WorkSource staff, schools and employers on an informal and individualized basis.
- There is a **sense of shared values and commitment** to the mission of WorkSource by partners throughout the system.

Services to Business and Industry Groups

- WorkSource and PCC have been effective partners with various employers in **designing and implementing OJT**, and there are pockets of other school-based and work-based training that is innovative and customized for employers that is taking place in the region.
- OED and WorkSource provide local and regional **statistical information about economic and workforce trends** that is useful to employers.

Services to Job Seekers and Youth

- There is a **strong commitment to serving high barrier populations** with effective TANF programs.
- The **NCRC program works well for entry level** job seekers in demonstrating their basic skills and willingness to invest in their job readiness.
- A successful partnership has developed whereby union representatives and WorkSource partners combine outreach and co-facilitate job seeker sessions. This has proven to be an efficient way to market services and **provide well-rounded job readiness education**.
- There are some **successful apprenticeship programs** that were identified as good models. They occur at certain companies and are implemented according to collective bargaining agreements.

Collaboration among WorkSource Partners

- There are positive and long standing partnerships and relationships among community colleges and WorkSource staff. This includes working together on programs that involve **basic skills and credentialing**.
- There are successful **partnerships between high schools and colleges in providing joint career programs** for students.
- Partners have found creative ways to support **job seeker access to college programs prior to securing financial aid**. This helps job seekers get the training needed to qualify for better paying jobs while working in an under-employed status or at a lower paying position.

What do we need to do differently or innovate?

Overall

- Move away from simply processing people through the system and provide a **more individualized approach and less one size fits all**.

Enhanced Services to Employers and Industry

- Update workshops to have more industry specific relevance and **re-design basic skills courses to have more applied learning**. This will help build the skills that local and regional industry groups and employers are requesting.
- **Establish better and ongoing relationships with business and industry groups** in order to understand talent needs and their sector strategies. Move toward the flexibility of having a wholesale as well as a retail approach to serving businesses. **Become a strategic convener of business and industry** representatives to discuss common needs, best practices and consolidated services.
- **Actively engage the business community at their location** and learn about the challenges and needs for their success in order to provide relevant and proactive workforce support.
- **Simplify processes for businesses and employers to access incentives such as tax credits**. Employers are generally overwhelmed by the complexity and the time required to take advantage of many services available to them.

Enhanced Services to Job Seekers and Youth

- Implement more **one-on-one time and high touch customer service with job seekers** to individualize their progression and steps through needed system services.
- Find ways or work to change policy in order to **provide financial aid for job training that does not meet the current credit-level threshold**. It is hard for some people needing to work immediately to gain additional education, short term credentials or certificates when financial aid doesn't cover it.
- **Improve one-on-one and small group coaching and mentoring**. This will allow for real-time assessment and directing guidance where needed for job preparedness, effective interviewing and skill development.

Enhanced Integration and Coordination among Providers and Partners

- Create a single , shared on-line system for providers, job seekers and employers who recognize that much improvement is needed for iMatchSkills and i-Trac. Develop the system so that it can:
 - Identify the array of programs for which a person is eligible,
 - Share information among providers (like the concept for medical records),
 - Track services for employers and job seekers.
- **Provide ongoing training for WorkSource staff** to understand the services, programs, best practices and innovation ideas of all partners.
- **Consolidate the on-boarding process to include programs and services beyond those offered by OED**. Include information about and networking referrals to all key partners. For example, partners can facilitate sections of the on-boarding process.
- **Enable the use of media and technologies that can target different age groups**: texting or tweeting for younger customers; promoting services on Facebook and email, etc.

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 the metro region was to achieve their vision?

Develop stronger customer-driven metrics with appropriate resource allocations. At the heart of WorkSource is our ability to connect employers with qualified workers. To enable this, we need shared outcomes and measures that define what customer success means to WorkSource, and then develop individual program metrics in support of these overall goals. We need to ensure that resources are allocated in such a way that we can reach these goals—that there is the **proper allocation of funding for training, coaching, and industry sector work with employers**.

Re-brand WorkSource as a community resource center. We need to **develop a larger pool of applicants** for employers and to **serve the broad base of job seekers**. We need to be perceived as more than the “unemployment” department. To develop a strategy that will reach out to job seekers needing UI, those

with jobs, those needing training, and youth. It also means that offices should be located on transit lines with easy access.

Develop and sustain strong system-wide partnerships to provide a strong base of coordinated services. This will mean that we have an in-depth understanding about what each of us does and how we all contribute to the system. That we have marketing materials and websites that co-brand and co-market all services, as well as periodic strategy sessions where we share ideas, best practices and changes to programs.

We must have support tools and systems to act collaboratively—this will require being able to share or have a common data system with consistent eligibility and assessment processes that can feed to all programs, flagging various programs and incentives for which a customer may be eligible. It will also require the ability to retain and enable access to customer data for more than 2 years.