

Region 7 Local Plan 2012 – Addendum

May 21, 2014

1. Describe how the WIB focuses its strategies and/or services to “targeted” business sectors.

The Western Indiana Workforce Investment Board has very strong and meaningful partnerships with leaders of business, education, labor, economic development, and local elected officials. These partnerships have been built and strengthened over time, through the participation of key individuals from all of these areas on the WIB, and the active participation of the Executive Director, Business Services Manager, and Business Consultants in various groups and organizations throughout Region 7. It is particularly critical that the WIB be an active member in key economic development organizations so that workforce development issues can be addressed in the context of current business need, business expansion, and/or business attraction.

The rapidly changing nature of today’s workplace also requires constant monitoring of the business climate of the region, as well as a keen knowledge of state and national business and political activity that can, and often does, have an impact on the local economy. For example, Region 7 is home to a large General Electric Aerospace manufacturing facility. They contract with a number of machine shops in the area that produce parts. So, decisions by Congress to approve or not approve funding for the production of various planes for the military has a direct effect on the number of workers GE and their partnering machine shops will employ, and the particular skills of these of workers. The same type of scenario is true for numerous other industries, such as plastics and auto part manufacturers, and those in the construction sector.

The information gleaned from personal partnerships and the economic and political climate provides key information in the identification of targeted business sectors. In addition to empirical data, the identification of regional targeted industries requires validation through the use of labor market information and related data and reports. In Region 7, WIB staff often turn to resources such as; Indiana Department of Workforce Development statistical data, the Bureau of Labor Statistics, census data, WorkKeys, Kelley School of Business, and Economic Modeling Specialist International (EMSI) to verify facts such as current and projected demand, wage rates, and skill requirements. While these are objective sources for such information, there are times when raw data is contradictory to local opinions and beliefs regarding the current and/or future status of a sector. At those times it is necessary to research further by undertaking strategies such as convening focus groups and/or conducting local surveys in order to reach accurate needs assessment. This research, coupled with careful planning, is then translated into a regional system of education, workforce and economic development, and business strategies aimed at eliminating skills gaps and ensuring that there is a highly skilled workforce to fill the high demand, high wage jobs of the future.

Having followed this process, the Western Indiana Workforce Investment Board, Inc. has identified the following targeted industries for Program Year 2014, and is submitting this information as a modification to the Region 7 Local Plan 2014-2015.

Targeted industries include: Manufacturing
 Transportation and Warehousing
 Healthcare & Social Assistance
 Construction

In 2014, nearly 24% of Hoosier workers in Region 7 are employed in manufacturing. The average manufacturing wage in 2014 is \$59,750.00; much higher than the Region 7 average overall wage of \$44,600.00. A very large percentage of manufacturing jobs also provide benefits to worker. Attraction and expansion of the region's manufacturing base is critical to the economic growth of the region, and therefore a targeted industry. Though the exporting of goods, the manufacturing sector brings new money into the local economy which spurs growth and investment. In 2011, Region 7 manufacturing exports totaled \$4,050,497,210.00. Manufacturing also has the largest multiplier factor of any sector in the nation; meaning manufacturing's use of intermediate goods and services in its production process generates substantial economic activity at the intermediate level. Also, manufacturing is a driver of innovation throughout the United States, which is evident by the inordinately large percentage of U.S. patents that are awarded to manufacturers.

Region 7 is fortunate to have a large concentration of manufacturing, as demonstrated by a national location quotient* of 1.90. This high location quotient provides the region with a unique competitive edge. This concentration provides a strong base of the growth of cluster activities, which includes but is not be limited to, supply chain networks, use of shared technology and knowledge, and greater access to employees and training programs.

The Western Indiana Workforce Investment Board partners closely with area manufacturers in a number of ways. The WIB facilitates the Wabash Valley Advanced Manufacturing Cluster (WVAMC), and the new Machining Group that has spun off of the WVAMC. These groups are focused on workforce development. Through this partnership, and in response to the expressed need for more mid-skill workers, a number of courses have been added to the Ivy Tech offering of training in areas such as Certified Production Technician, welding, and CNC operator. These courses are strongly supported by WIA customer interest and enrollment in the high wage, high demand areas of study.

Due to the expressed need for incumbent worker training by our partners in manufacturing, the Western Indiana Workforce Investment Board applied for, and was awarded a grant from the Duke Energy Foundation to support such training. Areas of training being offered by Ivy Tech in response to this need include industrial electrician, industrial maintenance, and machining. The Duke Energy Foundation grant was for more than \$46,000.00. This provides a 50% match to employers sending workers to training, which boost the value of this initiative to more than \$92,000.00.

The Western Indiana Workforce Investment Board also applied for and was awarded a grant through CELL, in partnership with the Indiana Education Roundtable, for their Education and Workforce

Innovation Network (EWIN) initiative. Through this grant Region 7 has begun implementation of the “C2C” (Classroom to Careers) initiative. C2C is a regional system of education and workforce service delivery based on a true integration of business knowledge and support, while at the same time aggressively promoting careers in the targeted industry. The EWIN award was the catalyst for the Western Indiana Workforce Investment Board to commit \$13,000.00 in WIB funding to this initiative because C2C is so critical to the continued growth of the region.

Manufacturing is the first industry that will go through the four phase strategy of C2C. These phases include; development, engagement, implementation, and outcome/evaluation. Expected outcomes and deliverables include; creation of a regional workforce development plan, reduced math remediation, increased dual credit offerings, completion of two employer surveys, increased teacher training and professional development, development of an effective regional marketing plan of career opportunities, enhanced career pathways, creation of a “roadmap” of employer involvement and support for education and training activities throughout Region 7. The goals of C2C are to increase the skill levels of the current workforce and to create a pipeline of qualified workers for the future.

The Western Indiana Workforce Investment Board has included Transportation and Warehousing as a targeted industry. Transportation and Warehousing is in the top ten largest industries in Region 7, based on the number of people currently employed and projected growth to 2020. The current average wage of \$48,121.00 for this industry is higher than the regional average wage, at \$44,449.00. Of course, growth in this industry is closely related to manufacturing. For this reason, much of the work and initiatives related to manufacturing encompass transportation and warehousing. The WIB is supportive of plans to add courses related to transportation and warehousing at the secondary level in the region.

Region 7 is home to a Staples distribution center, a Wal-Mart distribution center, and Ascena Retail Group, Incorporated, and is adjacent to the numerous warehousing operations located in Plainfield, Indiana. Region 7 is strategically located in the Midwest and has numerous modes of transportation available to businesses located in the area. Region 7 is also home to three large properties that are available for development and will eventually house businesses that will contribute to the regional economy and inevitable grow the transportation and warehousing industry. These properties include; the Hoosier Jack Mega Site in Vigo County, the I-70 and SR 59 Mega Site between Clay and Vigo counties, and the Vermillion Rise Mega Park in Vermillion County.

As with nearly every area of the state and county, Region 7 has, and will continue to have, a demand for workers in the Health Care and Social Assistance industry. Region 7 currently has 11,692 people employed in this industry; that number is expected to grow to 13,787** over the next six and a half years. The average wage for the Health Care and Social Assistance industry is \$49,550.00.

The Western Indiana Workforce Investment Board staff works in close partnership area hospitals and related health care organizations to help locate and/or train and place qualified workers. The CEO of Union Hospital Clinton and the Grant Writer of Hamilton Center are members of the WIB. These individuals provide valuable insight and direction regarding the health care field. Additionally, the WIB COO serves on the WVAHEC Advisory Board.

A great number of WIA customers that receive certifications and degrees in Region 7 receive them in the health care fields such as CNAs, medical assistants, LPNs, and RNs. In fact, the recipient of the Region 7

DWD Achievement Award last year was a young lady from Sullivan County that received WorkOne assistance as she overcame a number of barriers and worked towards, and finally achieved her dream of becoming a registered nurse.

Finally, the Western Indiana Workforce Investment Board has identified Construction as a targeted industry. Currently, 5,377 people in Region 7 are employed in the Construction industry. The projected growth of the Construction industry is nearly identical to that of the Health Care and Social Assistance industry in Region 7, with nearly 200** new openings occurring by 2020. The average wage of the Construction industry is \$57,160.00.

The President of ARP Roofing and past President of the Wabash Valley Home Builders Association, along with the Business Representative of IBEW Local 725 are members of the Western Indiana Workforce Investment Board. These Directors provide valuable information and direction regarding current industry activities, and needed skills and occupational demand in construction. Further, the WIB Business Service team works closely with related labor organizations such as the Plumbers and Steam Fitters, Bricklayers, and Operating Engineers, who all use WorkKeys as part of the apprenticeship assessment process. These partnerships provide WorkOne staff with continually updated skills information so they can in turn advise and train customers in preparation for these fields.

The Western Indiana Workforce Investment Board is unique in the fact that they have long partnered with labor organizations in the delivery of WIA Youth summer career camps. For nearly ten years, Plumbers and Pipe Fitters Local 157 hosted a WIA Youth summer camp that resulted in OSHA and welding certifications for WIA youth. The staff at the camps were also great mentors for the youth, and a number of the WIA youth throughout the years entered the Local 157 Apprenticeship program and now hold high skill, high wage jobs.

This summer, IBEW Local 725 will again be hosting a career camp for WIA Youth. The youth will again learn great skills under the direction of knowledgeable mentors, and explore a number of career options available through the trades. The final product that each youth builds to demonstrate the skills they have gained is a solar backpack that could be used to charge their mobile devices.

The summer career camps for WIA Youth have always supported the targeted industries of the Western Indiana Workforce Investment Board. In addition to the electrical camp, this year WIA Summer Career Camps will also include; a Health Care Career Camp operated by WVAHEC, a Manufacturing Career Camp and Construction Career Camp operated by the Vigo County School Corporation, a Robotics Career Camp operated by the Area 30 Career Center and three Electronics Career Camps operated by Ivy Tech Community College. As part of the Electronics Camps, youth will learn how to assemble tablets.

The Western Indiana Workforce Investment Board is represented by its Executive Director on a number of education and training boards and organizations throughout Region 7. These organizations include, but are not limited to; Indiana State University's Western Indiana Leadership Platform, the Parke County Learning Center Board of Directors, the Western Indiana Adult Basic Education Consortium, the Vigo County School Corporation Superintendent's Cabinet, and the Conexus Indiana Regional Partnership committee. The Executive Director brings guidance and data to these organizations and provides WIB support and WorkOne partnership opportunities whenever possible and appropriate. The Executive

Director of the WIB also serves on a number of economic development organizations which also provides insight and direction helpful to our partners in education. This organizational involvement is discussed further under Question 2 of Modification 1.

The Executive Director also represents the WIB on the Parke/Vermillion Career and Technology Education (CTE) Advisory Board, the Area 30 CTE Advisory Board, and the Vigo County School Corporation CTE Advisory Board. Service on the CTE advisory boards is very important as these boards recommend career pathways to local school corporations. In recognition of the long and valuable partnership between the Western Indiana Workforce Investment Board and the region's CTE programs, the WIB Executive Director was the recipient of the 2013 Citation Award. The Citation Award is given annually by the Indiana Association of Career and Technology Education Administrators. It recognizes a person in Indiana; "for having contributed significantly to the growth and development of Career and Technology Education in Indiana." The WIB and its Executive Director are very proud of this honor.

The WIB Executive Director and staff, the region's CTE Directors, and Ivy Tech Community College officials are in constant communication and work together very closely together to ensure that the Region 7 career pathways are aligned with the needs of business and that there is a seamless transition from school to work and back to school for all students and workers.

Region 7 enjoys great cooperation and collaboration on both the supply and demand side of the workforce equation. Employer engagement and dialog (demand) is the essential component of any meaningful workforce development efforts. While data and research provide a strong compass for directing education and training efforts, the one-on-one feedback and involvement of employers in this process is invaluable.

In order to ensure on-going and meaningful employer engagement within the Region 7 targeted sectors, the WIB must have credibility with employers. This credibility is often established by building relationships with businesses through services, such as job postings, applicant screening, job placements, assistance with WOTC, assistance with labor market information, and sometimes assistance with layoffs. And while it is impossible to have relationships with every employer in the region, credibility is also earned through the support of community partners such as local elected officials, chambers, and economic development officials, and through the ability of the WIB to make a strong case for action by employers. While employers may be experiencing hiring challenges and skill shortages individually, when they are brought together and hear others in their sector expressing the same frustrations and challenges, it is powerful. This, coupled with data that brings an objective perspective to the room, often creates a synergy for action.

Once the sense of urgency and call to action is agreed to by business, it is then the responsibility of the WIB, and often other "supply" partners, to identify and/or refine the strategy or strategies that will be used to address the issue at hand, along with long-term solutions. These strategies ensure that business takes a leadership role, and often includes opportunities for all businesses to play an active role in events. It is also important that goals and objectives are established and measured. The WIB must always demonstrate consistent quality and have the ability to translate the successful involvement of business in the process into a reasonable and meaningful return on their investment of time and sometimes treasure.

By successfully bringing key partners to the table, Region 7 has found ways to both help employers meet their workforce demands and assist job seekers with barriers in order to become valued employees. However, the WIB must remain ever vigilant in these efforts, as the needs of business routinely change as fast as the speed of today's technology.

The Western Indiana Workforce Investment Board will align with IC 22-4.1-4-6 , in regard to performance based funding leading to industry recognized credentials or associate degrees for high demand, high wage occupations. Once details regarding this provision are released, the Board will have the ability to better describe such alignment. The Western Indiana Workforce Investment Board strongly supports Governor Pence and his vision for a highly skilled, more globally competitive Indiana workforce. The Board is committed to focusing its strategies and services with fiscal responsibility in a manner to achieve this vision.

*Location quotient (LQ) quantifies the concentration of an industry in a region compared to a larger geographic area – in this case the nation. Any LQ over 1.0 indicates a higher than average concentration.

** Source EMSI. Projected employment change does not include replacement openings, only new openings.

2. Describe how the WIB partners with economic development entities or other business or industry-focused groups.

The Western Indiana Workforce Investment Board is a strong partner in economic development throughout Region 7. This partnership begins with the fact that the leaders of three of the largest economic development organizations in the region are Directors on the WIB. These Directors include: Steve Witt, President of the Terre Haute Economic Development Corporation; Bill Dory, Executive Director of the Greencastle/Putnam County Development Center, and Ron Hinsenkamp, Executive Director of the West Central Indiana Economic Development District. The Western Indiana Workforce Investment Board office is co-located with the Terre Haute Chamber of Commerce and Terre Haute Economic Development Corporation, which allows for ease of access, and greater communication and collaboration among these groups.

Conversely, the Western Indiana Workforce Investment Board is a member of each of the six Chambers of Commerce in Region 7. Members of the Business Services Team represent the WIB and participate in Chamber meetings and events in all counties. The Executive Director of the WIB is a member of the Terre Haute Chamber of Commerce Board of Directors and serves on the Workforce Development Committee of the Chamber. The WIB and Chamber partner closely to ensure that there is not a duplication of services and that the work of each organization compliments and supports the other.

Nearly three years ago, a regional economic development organization was formed called "Accelerate West Central Indiana Economic Development." This organization consists of the heads of each of the six lead economic development organizations of the region, a representative from Duke Energy, Hoosier Energy, Vectren, the West Central Indiana Economic Development District, and the Western Indiana Workforce Investment Board. The Executive Director, in partnership with the Business Services Manager, serve as the WIB's representatives and perform the duties of Treasurer of the organization.

The Western Indiana Workforce Investment Board is a member of the Terre Haute Economic Development Corporation Board of Directors. The Executive Director and Business Services Manager serve as the WIB's representatives. The Executive Director of the WIB serves on the Executive Committee of the Terre Haute Economic Development Corporation, and in May was elected Secretary-Treasurer of the Terre Haute EDC. .

Members of the Western Indiana Workforce Investment Board have a clear understanding of the principles and concepts of economic development, and provide a holistic approach to workforce development in the context of economic development. The actions and policies of the WIB, such as the identification of targeted industries, are shared with key economic development organizations throughout the region to ensure that the WIB and economic development goals and objectives align and are complementary to each other. It would be counterproductive if this collaboration were not in place.

The Western Indiana Workforce Investment Board was an active partner in the initial "Terre Haute Tomorrow" strategic planning event, sponsored by the Terre Haute Economic Development Corporation and Terre Haute Chamber of Commerce; providing workforce development intelligence and direction. Now that the framework for this long-term strategic planning document has been established, the Western Indiana Workforce Investment Board, represented by its Executive Director, is

a contributing member of both the Terre Haute Tomorrow Economic Development Committee, and the Terre Haute Tomorrow Workforce Development Committee.

The EWIN funded C2C (Classroom to Careers) initiative now plays a critical role in addressing workforce development issues throughout the region. The WIB, working in partnership with key business partners, economic development organizations, chambers, and educators, over the past six months has convened a number of industry-focus groups throughout Region 7 to discuss key workforce concerns. These areas included; defining the *specific* workforce and education and training needs of area manufacturers, 2) identifying new career pathways and modifications to existing pathways that should be in place to meet business needs, 3) understanding how best to increase the number of manufacturers directly involved in workforce development and education partnerships, and finally, 4) ideas to better market the manufacturing sector and the great career opportunities in this sector.

The feedback gathered from these focus groups, along with research and analysis, and efforts to ensure that C2C is well aligned with both Governor Pence's vision for improving the Hoosier workforce and the vision of the local Works Council, resulted in the completion of; "Classroom to Careers: A Strategic Plan for Manufacturing in Western Indiana." The C2C Plan has been publically launched, and strategies to meet the goals and objectives of C2C are actively underway.

Beyond formal meetings and planning efforts, the Western Indiana Workforce Investment Board is an active participant in retention initiatives in Region 7. If one of the WIBs economic development partners knows or suspects a company is facing possible closure or great reductions in staff, the WIB Executive Director and/or the Business Services Manager is called upon to meet with officials of the struggling company to discuss support and possible options to such a downturn that may fall under Rapid Response services.

The Western Indiana Workforce Investment Board is a participant on the Conexus Indiana Regional Advisory committee. The WIB supports Conexus initiatives locally through recruitment of A+ Partners and by informing businesses and educators of the value of the HIRE curriculum. The quarterly meetings of the Conexus Indiana Regional Partnership committee is a great venue to get updates regarding Conexus Indiana and to share current local workforce activities related to manufacturing and to learn about best practices in other regions.

For many years now, the Western Indiana Workforce Investment Board has facilitated the Wabash Valley Advanced Manufacturing Cluster. This organization consists of representatives from approximately twenty-five manufacturing companies from throughout western Indiana and eastern Illinois. The focus of this group is workforce development. The Wabash Valley Advanced Manufacturing Cluster has had many successes throughout the years. In fact, the group was once honored by the Indiana Chamber of Commerce for its development of the "Skills One" certification.

Today members express difficulty finding qualified workers, especially mid-skill workers in fields such as industrial maintenance, welding, CNC, PLC, and electrical maintenance. The harsh reality is that if bold actions are not taken now to address the current shortages and create a pipeline of qualified workers in the future, the productivity of local manufacturing will be severely impacted. Baby boomers will soon be retiring in record numbers and there must be a qualified workforce in place to fill these openings. In Region 7, employers have turned to the C2C initiative as the vehicle to aggressively address these

workforce shortage issues. There is great excitement and anticipation that the strategies of C2C will bring meaningful and long-term solutions to these issues.

The need for a qualified workforce is a key component to any successful economic development endeavor. The Western Indiana Workforce Investment Board is proud of the role it plays in economic development throughout Region 7 and will continue to play an active and important role in the future.