December 21, 2005

Mr. Ron Stiver
Commissioner, Indiana Department of Workforce Development
10 N. Senate Ave.
Indianapolis, IN 46204

Dear Mr. Stiver:

It is our pleasure to submit the Occupation and Skills Shortage Report for Economic Growth Region 9 on behalf of the consortium members.

The Strategic Skills Initiative has provided a methodology to view the workforce needs of the new economic growth for ten counties in the Southeast Indiana region. Through the involvement of Local Elected Officials, Local Economic Development Officials, and Business Representatives we have been able to accumulate valuable information and input.

We believe that the data that has been provided by the Department of Workforce Development is rich in many ways and will serve us well in the long term. It is our belief that with continuous improvement cycles of research we will be able to draw even more meaningful findings and solutions that will enhance our region's economic progress.

We appreciate the opportunity you have given us to explore these vital educational, workforce and economic development issues for our communities.

Sincerely,

David Terrell
Interim Core Agent
Region 9

INDIANA WORKFORCE DEVELOPMENT

Occupation and Skill Shortages Cover Sheet

Economic Growth Region # 9 : 12/20/2005

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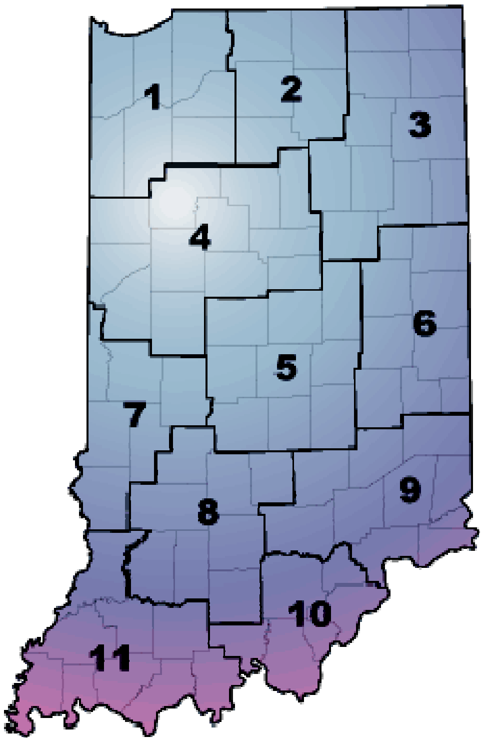
Shaping the Future:
Developing a Competitive Workforce



Economic Growth Region 9
Strategic Skills Initiative
Occupation and Skills Shortage Report
Submitted:
December 21, 2005

Occupation and Skill Shortages Report Outline
Economic Growth Region 9

5.0

Executive Summary

Economic Growth Region 9 is comprised of ten counties—Bartholomew, Dearborn, Decatur, Franklin, Jackson, Jefferson, Jennings, Ohio, Ripley, and Switzerland counties and has a population (2004) of 314,768, which represents 5.0% of the state's total.

Economic Growth Region 9 falls into three main employment patterns: 1) Manufacturing, which is the leading employment industry sector in six of the ten counties: Bartholomew, Decatur, Jackson, Jefferson, Jennings, and Ripley; 2) Arts, Entertainment, and Recreation, which is the leading employment industry sector in three counties-Dearborn, Ohio, and Switzerland; and 3) Waste Management and Remediation Services, which is Franklin County's leading employment sector.

As a region, Manufacturing represents 28.5% of total employment, Health Care and Social Services represents 10.7 % and Retail Trade represents 10.6%.
Per capita income in the region is slightly lower than that of the State of Indiana. The region's per capita income is $26,852 compared to the state's average of $28, 838. Manufacturing has the dominant average earnings per job at $43,996.

From 1994-2004 there were two notable changes in Economic Growth Region 9's economy. First, the absolute number of jobs, in Manufacturing dropped during that period. Machinery Manufacturing lost 1,535 jobs. As the highest paying manufacturing sector, this had a negative impact on the regional economy. In addition, ten of the remaining fifteen manufacturing sub sectors also lost jobs. Despite that, significant job gains were made in Transportation Equipment (Automotive Parts Suppliers).

Secondly, the Arts, Entertainment, and Recreation industry grew by 4,265 additional jobs mainly due to the development of three riverboats in Dearborn, Ohio, and Switzerland counties in the late 1990's. Their contribution to the development of those counties has been significant.

Secondary research and focus group meetings with approximately 100 business representatives in all counties revealed or confirmed findings of trends that impact our employers and workforce development issues:

- The traditional workforce ages of 18-64 is projected to be flat for the next 10 years, with only a 0.5% increase. This has implications about having to redefine and extend the workforce as we have known it.
- Turnover of entry level workers continues at a high rate.
- Basic skills are inadequate for a large portion of our workforce as shown by a January 2005 study conducted for the Indiana Chamber of Commerce.
- The Hispanic population has increased from 1,130 in 1990 to 4,851 in 2005 in Economic Growth Region 9. The contribution of this segment of the workforce to our region's economy has been significant.

As part of the Strategic Skills Initiative, we identified three different tiers that would be a guide for studying occupations or skill sets. With the first tier, the demand and supply of occupations and skills are well documented. The second tier has occupations or skill sets where the demand is accurately estimated but the supply for the occupation would require advanced research to accurately determine. The third tier includes the occupations that are rapidly developing and are considered emerging occupations.

The first tier documents the fastest growing occupations and analyzes the supply-side, or production of qualified employees, to determine critical occupational shortages. The data by the Health and Social Services industry sector allowed us to evaluate shortages more accurately than other areas. As a result, we know that Registered Nurses and Licensed Practical Nurses are shortage areas in the short term through 2008.

The second and third tiers have data, but they were not adequate enough to make reliable predictions on future shortages for the industry sectors. As a result, we identified occupations in those areas for future and ongoing study that will require more detailed interviewing and data gathering. Some of these include: first line supervisors, truck drivers, construction and extraction workers, bus and truck mechanics, carpenters, and electricians.

The third tier has occupations and skill sets that by their nature involve more risk in predicting their ultimate growth and emergence. However, there is significant value in becoming attuned to the possibilities of the economic success they can bring to a region.

Much of the research and effort uncovered skill shortages. As previously mentioned, there is a universal concern about the level of basic skills in our workforce. In addition, there is agreement among focus group participants that there is a need to upgrade skills at all levels so that the workforce will be more flexible, have the ability to multi-task and be more innovative. Value added products and services will become the focal point of future business strategies as lower skilled work is eliminated through productivity improvement and/or outsourcing.

Education in the broadest sense will play a major role in upgrading skills. An understanding of the knowledge and skills required for a knowledge based economy must be equally shared between business and education leaders. In response, a delivery system and cooperation will be important elements of a response to this critical need.

It is noteworthy that several counties in our region have already taken action to develop assessment, recruiting, and developmental techniques to improve entry level skills attainment. Work Keys is currently utilized in many counties, most notably in Jackson, Jennings, and Jefferson. In appendix C, the summary of assessment scores of basic skill categories is shown. Work Keys is just one example of the kinds of tools and techniques that are needed throughout the region to improve basic skills.

We have shared the Occupational and Skill Shortage Report with the Economic Growth Region 9 consortium. By design, the consortium will become the new 14-member Workforce Advisory Board. Their participation throughout this process will provide them the background to transition more effectively into their new roles effective July 1, 2006. They support the findings and along with us look forward to defining root causes in Phase 2 and developing solutions that will provide us with action steps to move our economy forward.

6.0

Purpose of the Report

The first report for SSI is fundamentally important because it contains information about the economic growth of the region. This report determines where the future welfare and prosperity of the region is and lays the foundation for future work to improve the quality of life for the citizens in the region.

6.1 Four Main Purposes of the Report

There are four main purposes for this first report: (1) to identify industries or clusters that are important to the region; (2) to identify the skills and occupations needed to increase competitive strength; (3) to determine if there is a shortage of critical occupations or skills; and (4) to determine the magnitude of the shortage.

6.1.1 Identify Key Industries

Identifying the industries or clusters in Economic Growth Region 9 is important to the region's economic future. It can determine which industries are growing. If key clusters or industries are growing like the nation is, it can show that there is a competitive strength. By having a competitive strength, Economic Growth Region 9 can work to bring more economic development into the region.

6.1.2 Identifying Key Skills and Occupations

It is critical to identify the occupations and skill sets that are required in the key industries that have been identified. By identifying the occupations and skill sets, we can work to improve the quality of the personnel in the market.

6.1.3 Determine Shortage of Key Skills and Occupation

There is a need to determine which, if any, of those critically important occupations and skill sets are now in shortage or are likely to be in shortage in the short term (e.g. the next two years) or long term (the next decade.) By letting critical skills and occupations be in shortage, the region looses the competitive advantage of having it as a key industry. Once the competitive advantage is lost, it has a large economic impact on the region.

6.1.4 Estimate Magnitude

The last step of the project is to estimate the magnitude of the existing shortages, and to project short-term and long-term shortages. This gives the ability to develop strategies to gain or maintain competitive advantage in the region's areas of strength.

7.0
BACKGROUND

Economic Growth Region 9's (EGR 9) four main factors for demographics are the population, race and ethnicity, education and employment.

7.1
Population

Economic Growth Region 9 consists of ten counties: Bartholomew, Dearborn, Decatur, Franklin, Jackson, Jefferson, Jennings, Ohio, Ripley, and Switzerland. While it represents 10.9 %of the counties in Indiana, its population represents only 5% of the total of Indiana's population. During the next several years, its projected rate of growth will continue at 1% and will leave the region with relatively the same share of population.

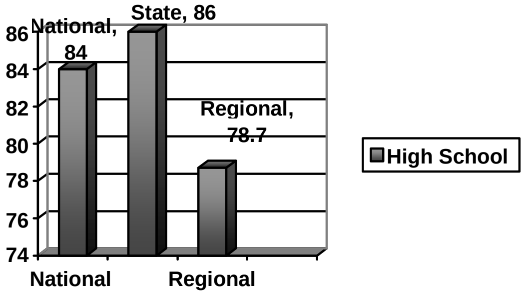
Similar to other counties in the state and the country at large, population by age shows a trend of significant growth in the 65+ age group (22% over the next 10 years). Because of the shift of the Baby Boomer generation through this period of time, the population of traditional employment (18-64) is expected to rise slightly less than one percent over through 2015. This has significance in the restructuring of the Southeast Indiana economy. In many ways, the demographics give structure to the following question: If our traditional employment group is going to be remaining relatively constant, given the dynamics of other factors, what does our future state of work, employment, and economy look like? The remainder of the Occupation and Skill Shortage Report explores this question from a variety of perspectives and factors.

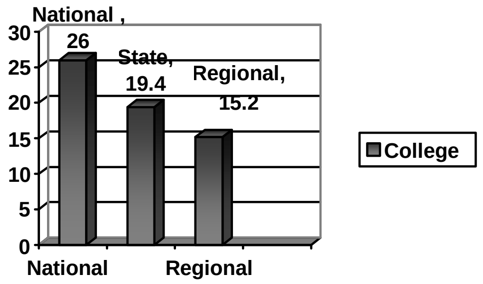
7.2
Race and Ethnicity

Economic Growth Region 9 has shown an increase in the Hispanic population. This sector of the population has grown from 1130 in 1990 to 4851 in 2005, with a growth rate that is double that of the State of Indiana. Bartholomew, Jackson, Jefferson, and Jennings counties have shown the most growth. This sector of the population has tended to concentrate in the Manufacturing and Food Preparation industry sectors.

7.3
Education

Educational attainment levels of adults 25 + years of age is below the State of Indiana average and national average for both high school graduation and college graduation. The national graduation rate for high school is 84%. Indiana's average graduation rate is 86%. Economic Growth Region 9 is below that average with only 78.7% graduating. The national average for college graduates is currently at 26%. Indiana is below that with 19.4% completing a four year degree or above. Economic Growth Region 9 is behind both the state and national average with only 15.2% of its population having a bachelor's degree or above. With a high correlation between educational levels and wages, this provides some explanation of the impact on the economy as well as opportunity for improvement.





US Census Bureau

There are 23 school districts and three two year state supported colleges in Economic Growth Region 9 (Ivy Tech at Columbus, Lawrenceburg, and Madison with satellite sites in several other communities). Ivy Tech and IUPUC have recently signed articulation agreements that provide for transfer of two year degrees into the four year degree programs. An opportunity exists to broaden the cooperative effort and provide additional four year degree programs for the region. Indiana University-Purdue University at Columbus is the only state supported University offering four year degrees. It is a division of Indiana University-Purdue University of Indianapolis. An effort is underway for IUPUC to become a stand alone four year university. Hanover College, a private liberal arts college in Jefferson County, is the only other four-year university in the region.

7.4 Employment

Total employment has grown from 117,166 jobs in 1994 to 132, 993 jobs in 2004 for a 13.5% gain over the 10-year period.
Key industry sectors with gains in the number of jobs include:

Industry Sector	1994	2004	Net Gain
Health Care	12,491	14,287	1,796
Educational Services	7,440	9,719	2,279
Transportation and Warehousing	5,019	6,929	1,910
Administrative and Support	3,460	6,211	2,751
Arts/Entertainment, and Recreation	808	5,066	4,258

Administrative and Support includes a variety of Personal and Business Services including lawn care, landscaping, cleaning, and personnel services (temporary agencies.)
Art/Entertainment/and Recreation growth reflects the addition of Riverboat Casinos in Dearborn, Ohio, and Switzerland counties in the mid and late 1990's.
Key industry sectors with losses in the number of jobs include:

	1994	2004	Net Loss
Manufacturing	38,244	37,853	(391)

This comparison of job gains to losses does not appear significant. A deeper analysis reveals a very different picture. The jobs lost were high paying jobs conversely the jobs gained were lower paying. In essence, the economy has suffered because of this shift in jobs gained and lost. Eleven of sixteen sub industry manufacturing sectors actually lost jobs during the 1994-2004 timeframe.

In summary, a look at the past can be instructive of the kinds of dynamics we can expect to see in the future-simultaneous job creation and job elimination with varying wages/job.

8.0
Description of Methodology

Upon approval of the Request for Application Grant, the Economic Growth Region 9 Strategic Skills Initiative Core Team immediately started organizing secondary data from previous studies completed by counties within the region. At the same time, information was collected on an ongoing basis as it became available or the need was revealed through other areas of research. The biggest challenge was not getting data, but knowing how to identify and select value added information.

The following sources of primary and secondary data were utilized:

- Community audits
- Regional and county economic studies
- Newspaper articles
- Foundation reports
- Internet research
- SSI Analysis Data
- Surveys
- Focus groups over 100 business representatives covering ten counties
- Interviews in key industry group areas
- Business Outlook Panel Discussions
- Conferences
- Community presentations

The listing of sources of primary and secondary data is included in Appendix A.

In addition, the SSI Core Team participated in five webinar sessions presented by Workforce Associates, Inc. The training was useful in analyzing the massive amount of data available to us.

8.1
Key Findings from Research

8.1.1
The Dynamics of Churning

Occupations are always in a state of constant movement. Jobs are being created and eliminated at the same time. For example, total U.S. private sector jobs increased by 17.8 million between 1993 and 2002. To produce that net increase over 327 million jobs were added, while 309 million were lost. In total, this means that 40%-43% of all jobs were in some state of transition.

Off shoring of lower skilled jobs is often mentioned as a primary component of the world-wide job shift. More recently, professional jobs are also being outsourced as well, primarily in Information Technology.

A factor that receives less notoriety is the fact that manufacturing productivity has risen sharply over the last several years. Through automation and other workplace innovations, the number of U.S. jobs is dropping rapidly to produce the same if not higher output.

Depending upon one's point of view, all of this can be seen as either freeing up capital for research, growth, and innovation or as shoring up emerging economies.
This trend will continue.

The churning process also occurs at the local level. For example, a 2004 study in Economic Growth Region 9 of over 400 occupations reveals that employment demand varies for some of the following reasons:

- Demographics and social changes
- Environmental and security concerns
- Technology
- Product and material changes
- Cost pressures
- Job design (job combination, enlargement)
- Competition within an occupational area itself
- Legal regulations

8.1.2
Competition and Collaboration

At all levels we see the paradox of competition and collaboration existing at the same time with sometimes the same people, companies, cities, counties, states, and countries. Both can occur at the same time and makes it difficult to understand and convey to employees as a part of business philosophies and strategies.

8.1.3
Technology

Broadband technology will continue to spread throughout the region, country, and world. Computer technology and the use of the Internet have made communication and the transfer of information almost instantaneous. It has created the concept of virtual companies and business relationships. The number of people working together as teams without seeing each other has increased markedly.

8.1.4
Education

A key finding in both the secondary and primary research is the belief that continuous learning of knowledge and skills is a must for future innovation and growth. As lower skilled jobs are outsourced, the need to replace them with higher skilled and higher value added jobs increases, the future demand for a well educated workforce is clear.

Unfortunately, there is current evidence that the opposite is occurring—i.e. there is an increase in unskilled workers. Adult literacy data also supports this trend. With a high correlation between educational level and wages, we are seeing a corresponding drop in earning power per employee. This pattern is also confirmed through an increase in the number of students in our school systems eligible for free and reduced lunches for elementary through high school children.

8.1.5
The Aging Workforce

Population trends are well documented and show that the Baby Boom generation is nearing traditional retirement age. With uncertainty in economy and the competitiveness world-wide, traditional retirement age is being extended and/or redefined. In effect, many workers are choosing to work longer. This has a direct impact on accurately estimating occupational growth and replacement patterns.

Along with an aging workforce, there is pressure for employers to reduce health care costs. At the same time, health issues are becoming more pronounced. As a result, it is not surprising that 13 of the fastest 20 growing occupations (by percentage) are in the healthcare industry.

8.1.6
Immigration

Immigration of workers from many countries has become an important labor supply for the U.S. economy. In Economic Growth Region 9 alone, there has been an increase in the Hispanic population from 1130 in 1990 to 4851 in 2005. Several counties in the region have embraced Hispanics into their communities and workforce. Employers still struggle with the costs and liability of appropriate work documentation papers.

9.0
IDENTIFIYING KEY INDUSTRIES

9.1
Industries with the Most Number of Workers

Economic Growth Region 9 Industry Sectors and Employment 2004

NAICS	INDUSTRY	EMPLOYMENT	%
31-33	Manufacturing	37,853	28.5
62	Health Care and Social Services	14,287	10.7
44-45	Retail Trade	14,066	10.6
61	Educational Services	9,719	7.3
72	Accommodation and Food Services	9,224	6.9
48-9	Transportation and Warehousing	7,815	5.2
56-57	Administrative Support and Waste Management and Remediation Services	6,211	4.7
23	Construction	5,557	4.2
92	Public Administration	5,306	4.0
71	Arts, Entertainment, and Recreation	5,066	3.8

Summary

- **Ten industry segments make up 85% of total employment in Region 9**
- **Manufacturing is the top employment industry in six counties-Bartholomew, Decatur, Jackson, Jefferson, Jennings, and Ripley.**
- **Arts, entertainment, and recreation is the top employment industry in Dearborn, Ohio, and Switzerland counties.**
- **Administrative support and waste management and remediation is the leading employment industry in Franklin County.**

9.2
Higher-Wage Industries

Higher wage industries were those that had the highest percentage of total wages per employee: Relative size of the industry in the region was not considered. By doing this clustering, it would be easier to find out which industries had critical occupations that would be contributing to the regional economy. It would also be easier to determine which industries were shifting in their competitive advantage. It also gives the region focus point for where they can help the people gain skills necessary to acquire higher paying jobs.

Top Industries with Highest Wages by NAICS Code for Economic Growth Region 9 in 2004

NAICS	INDUSTRY	# OF EMPLOYEES	AVERAGE ANNUAL WAGES
22	Utilities	1,217	$53,572
55	Management of Companies And Enterprises	2,774	$53,125
31-33	Manufacturing	37,853	$43,996
52	Finance and Insurance	3,291	$43,773
54	Professional, Scientific, and Technical Services	2,382	$38,409
42	Wholesale Trade	2,613	$37,964
21	Mining	221	$37,949
48-9	Transportation and Warehousing	6,929	$32,591
	Total Number of Workers	132,993	
	Average Wage of all Industries		$32,375

<u>**Summary**</u>

- **Even though manufacturing jobs declined in the region, this sector still has the highest employment and higher than average wages**
- **The manufacturing and transportation warehousing sectors are the only two sectors that have higher than average wages and are the top 85% of numbers employed**

9.3
Industries Growing the Fastest

INDUSTRIES GROWING THE FASTEST
1994-2004
TOTAL NUMBER OF JOBS
Economic Growth Region 9

3 DIGIT NAICS CODE	INDUSTRY	# OF JOBS
713	Amusement, Gambling, and Recreation	4,265
336	Transportation Equipment Manufacturing	3,560
561	Administrative and Support Services	2,932
611	Educational Services	2,279
621	Ambulatory Health Care Services	1,305
452	General Merchandise Stores	905
493	Warehousing and Storage	897
484	Truck Transportation	841
722	Food Services and Drinking Places	785
339	Miscellaneous Manufacturing	727
622	Hospitals	659

Summary

- **Riverboat resorts were developed in Dearborn, Ohio, and Switzerland counties during this period.**
- **Automotive component parts represent the biggest increase in Transportation Equipment Manufacturing.**
- **Administrative and Support Services consist of personal, business, and personnel services.**
- **Ambulatory Health Care Services consist of non-hospital health care—clinics, dentists, etc.**

9.4
Industries Projected to Need the Most Workers

Economic Growth Region 9
ESTIMATE OF NEW AND REPLACEMENT FOR
ABOVE AVERAGE PAYING OCCUPATION DEMAND
2002-2012

OCCUPATION	GROWTH	REPLACEMENT	TOTAL
TRUCK DRIVERS	1290	540	1830
TEACHERS	900	830	1730
CONSTRUCTION /EXTRACTION	400	1310	1710
TRADES WORKERS	330	830	1160
REGISTERED NURSES	370	340	710
SUPERVISORS	170	370	540
LICENSED PRACTICAL NURSES	130	240	370
ELECTRICIANS	80	160	240
BUS AND TRUCK MECHANICS	110	100	210

10.0
Focus Group Summary

10.1
Meeting with Constituents from Each County

After completing secondary research, the Core Team for Economic Growth Region 9 set up a focus group schedule with the support and assistance of Local Economic Development Officials. The schedule covered all counties:

November 4	Jennings County
November 9	Bartholomew County
November 14	Jefferson and Switzerland Counties
November 14	Jackson County
November 16	Decatur, Franklin, and Ripley Counties
November 30	Dearborn and Ohio Counties

A total of 101 Business representatives attend the meetings.

A standard focus group presentation was developed with specific slides covering high employment/high wage occupations in each county. (Appendix B). Definitions of Industry Sectors and sub Categories were provided for ease of discussion and understanding.

10.2
Focus Group Questions

Five standard focus group questions were provided in each participant's packet. They were:

1. In the context of your county, do the findings about the key industries in Region 9 apply? If not, please state why there is a difference in the key industries in your county?
2. Given what you know about your industry and community, what would you anticipate as new job growth from now until 2012?
3. Given what you know about your industry and community, what would you anticipate as new job loss from now until 2012?
4. What is the capacity of your current workforce? (ex. Skill sets and knowledge relative to work)
5. Given the projected summary of demographics, what do you expect the demands of your workforce will be in the future?

Focus group sessions generally lasted between 1 and 1 ½ hours. The discussions varied and were directed at engaging the representatives. Many of the issues identified in secondary research were confirmed and enriched and new ones also emerged. Key points from all focus group meetings were captured and a follow-up summary report was sent to each participant (Appendix B.)

10.3

Answers to Focus Groups Questions

Question #1-Key industries

- There was general consensus that global competition is and will continue to be a driving force behind the changes we are seeing in our business strategies and conditions.
- Finding niche markets and redefining/reshaping the workforce structure and makeup were often mentioned as future strategies to continue to grow and prosper.
- The positive impact of the Hispanic and Latino population sectors on the workforce supply was cited often. The four-fold increase of the Hispanic and Latino population in the last 15 years in the region is twice the state average. Some counties have embraced diversity in their workforce, while others have been hesitant, mainly due to confusion and concerns about immigration laws and procedures.
- One participant suggested that one of the strengths of the region is that the region is surrounded by an interstate infrastructure (I-74, I-65, and I-71 in Kentucky) and there is access to interstate traffic and transportation within a few miles. Another geographical strength is that the region's businesses are within one day's driving distance away of two-thirds of the country.
- Additional occupations and skill sets important to the region include: truck drivers, supervisors, technical skills as they relate to automation, robotics, advanced manufacturing techniques and computer skills (as they affect almost every industry sector and job.)

Question #2- Job Growth

- Only as the report is written and focus group responses in this section are reviewed does it become evident the degree of confidence and positive direction that businesses foresee for the future.
- Many industry sectors and specific occupations were mentioned as areas for job growth:
  - Advanced manufacturing- embedded systems in the machinery manufacturing sector.
  - Service industry-voice automation, personal and business services, and landscaping.
  - Plastics
  - Professional and management occupations, especially strategy development, marketing, finance, and leadership positions.
  - Advanced logistics.
  - Healthcare- all positions
  - Computer skills, because of their universal application across all occupations.
  - Gaming- career paths are much more progressive than realized by job seekers.
  - Tourism and retail—a majority of Southeast Indiana counties cited tourism as niche markets.

- Homeland security—Jennings County
- Distribution networks
- Education—there seems to be a demand and shortage in Math and Science teachers as well as Special Education teachers.
- Gazelle companies and emerging occupations—close to 50% of all new jobs emerge from companies of 100 employees or less.

- It now seems clearer that new jobs and occupations are created both within current and established organizations as well as emerging organizations. In fact, it is close to a 50-50 relationship. In both cases, the entrepreneurial spirit and innovative nature of the American business culture becomes more obvious and appreciated. In one sense, it raises a serious challenge of how Workforce Advisory Boards, elected officials, and Economic Development/Workforce Development organizations can best leverage these strengths and adds value to the process of economic and workforce progress. This is not to question that they can and do add value, but to frame policy decisions in a way that build upon strengths that are already active rather than suggesting that a major rebuilding must occur. In this sense, there are exciting steps that support agencies can take to serve the regions businesses. This will be a major portion of Phase 3 of the Strategic Skills Initiative.

Question #3-Job and Occupation Loss

- Global outsourcing and significant productivity in manufacturing sectors has led to a trend of less low skilled production jobs, typically entry level occupations.
- Higher skilled occupations, such as welders are being impacted by automation and improved production methods.
- Job preparation occupations and some service occupations continue to feel the brunt of a diminishing labor supply.
- In the growing health care field, there is a shift in the number of Licensed Practical Nurses to Registered Nurses with RN's becoming a larger percentage in nursing occupations.
- All of these trends are a testimony to the dynamics of job creation and job loss that occur, but we do not see easily over time.

Question #4- Capability of the Workforce

- Some business representatives suggested that their workforce is becoming more efficient.
- Most responses however were less optimistic and their comments can be categorized into four categories:
  - Lack of basic skills
    - Reading, writing, and arithmetic
    - Low adult literacy levels
  - Behavioral traits needing improvement
    - Work ethic
    - Becoming more flexible in work assignments, i.e. multitasking
    - Attendance and other work habits
  - Lack of technical skills

        - Robotics, automation
        - Spanish speaking translators
        - More two-year technical degrees
    - Shift in awareness of global competition
        - Broader view of production and innovative practices
        - Quality
        - Working in autonomous teams
        - Raising one's personal skill level

Question #5- Future Demands

- Their will be structural differences—organizations will be flatter which will require employees to develop and use a higher level of problem solving, decision-making, and multi-tasking skills. Employees will need to shift their thinking to a more fluid and systematic process of production that produces higher quality products and services.
- There will continue to be a shift from physical sets to knowledge based skill sets. Use of life skills and computerization will become the norm.
- The Heath Care industry will continue to become specialized as new technologies emerge to serve an increasing aging population.
- Education will play a critical role in providing a curriculum that aligns with future needs, both in terms of content and delivery methods. Focus group participants comment that they believe there is still a disconnection between education and business. Progress in this relationship will add greatly to the economic growth in the region.
- Finally, the work-family balance continues to be a concern for many. As demands in the workforce require new ways of thinking and educating oneself, the day to day family responsibilities continue. Employers will need to continue to be supportive of this pattern while seeking to be productive and growing economic propositions. Employees and educators responsibility in this challenge include providing educational opportunities that are user friendly and can be taken advantage of easily.

11.0
Selecting Critical Occupations and Skill Sets

The occupations and skill shortage analysis was based on several factors:

- Occupations that had high employment
- Occupations that were considered to have high wages
- Occupations where there was a growth in jobs both in large numbers and by percent
- The occupations or skills that helped to create a competitive advantage in the region.

11.1

Skill Sets

According to O*NET guidelines, each occupation has different types of skill sets and has proven to be just as important as the occupations that people work in. There are six main types of skills:

- Basic Skills are the skills that facilitate learning or the more rapid acquisition of knowledge.
- Complex Problem Solving Skills are used to solve novel, ill-defined problems in complex, real-world settings.
- Resource Management Skills develop capacities used to allocate resources efficiently.
- Social Skills are used to work with people to achieve goals.
- Systems Skills are used to understand, monitor, and improve socio-technical systems.
- Technical Skills are used to design, set-up, operate and correct malfunctions involving applications or technological systems.

11.2 Occupational and Skill Shortages Analysis

Each of the following industries has either occupation or skill shortages. They are sorted by criteria that are critical to the economic success of the region. These occupations and skills have been identified either through research or through the group discussions. The key industries and emerging industries are a result of the matrix analysis. These are the suggested industries for further evaluation.

Criteria	Industry Sectors
Employment	**Manufacturing, Retail, Health Care, Food Service, Education, Transportation and Warehousing, Construction**
Wages	**Utilities, Management of Companies and Enterprises, Manufacturing, Finance and Insurance, Professional and Scientific, Wholesale Trade, Transportation and Warehousing**
Growth in Jobs (Absolute #)	**Transportation and Warehousing, Education, Health Care, Construction**
Rate of Growth (%)	**Arts, Entertainment, and Recreation, Transportation Equipment Manufacturing, Education, Transportation and Warehousing, and Healthcare**
Competitive Advantage	**Transportation Equipment Manufacturing, Arts, Entertainment and Recreation; Transportation and Warehousing, and Education**
Basic Industries(Export)	**Manufacturing, Transportation and Warehousing, Arts, Entertainment and Recreation**
Emerging Industries	**Chemical Manufacturing, Heavy and Civil Engineering, Advanced Logistics, and Wholesale Trade**
Intangible Factors	**Healthcare (aging population) and Arts, Entertainment, and Recreation (Gambling and Resort Areas for Dearborn, Ohio, and Switzerland sub region)**
Key Industries	**Manufacturing (Transportation Equipment and Machinery), Health Care, Transportation and Warehousing, Education, Arts, Entertainment, and Recreation**
Emerging Industries	**Chemical Manufacturing (Agri-Business), Advanced Logistics, Heavy and Civil Engineering, and Wholesale Trade Brokerage**

12.0

Determining Occupation Shortages

12.1

Tier One

The demand and supply for occupation are well known and supported through data. Typically, this requires analysis of data that is provided. Such as, specific certificates, licenses, and degrees that are well documented through an educational institution or professional association. Many occupations in the health industry fall into this category.

12.2

Tier Two

Tier two has occupations where estimated demands are known, but need to be supported through additional analysis. For example, in updating the current population of registered nurses and licensed practical nurses, the actual total is close to 50-65% higher than 2002 current total would suggest. This is understandable given that three years have passed and there is an aggressive response to critical occupational shortages by educational institutions.

In many industries, shortages are reported through Vacancy Surveys, but in further investigation it was found that the shortage is quality related, not quantity.
For example, first line supervisors were reported as a shortage area in Vacancy Surveys. In discussion groups it was found that there is an availability of potential supervisors, but they lack the skills needed for that position. Therefore, a shortage is reported, but it is a qualitative shortage, as opposed to a quantitative shortage.

Other shortage areas have different characteristics. For example, truck drivers are the number one growth occupation in Economic Growth Region 9. At the same time the replacement rate is also very high. Many times excessive turnover rates show up in this category as well. As an example, truck drivers have a 90-100% turnover rate. In interviews with Truck Driver recruiters many causes of turnover were mentioned: security regulations, hazardous waste material licensing, long hours on the road away from family, alcohol and drug screening results, and temporary job movement from other industries. This pattern shows up in several other industries. Interestingly, the same conditions have been consistent and uninterrupted over a 20-30 year period of time. This needs to be considered carefully in the development of actions steps in Phase3- the Solutions. This suggests systemic dynamics that require long term and multiple solution responses.

12.3

Tier Three

Tier three is the category that is made up of emerging occupations and skill shortages. Start up companies may not fit the definition of a gazelle company. Research suggests that these companies do represent about 45-50% of all new occupations. Their pay distribution also closely matches the established workforce wages.

Tier 3 occupations and skill sets by their nature involve more risk in predicting their ultimate growth and emergence. While it should be expected that there will be a higher margin of error in "predicting future patterns", there is significant value in becoming attuned to the possibilities and the economic success they can bring to a region.

12.4 Occupations and Skill Shortages According to Tiers

12.4.1 Tier One Occupation Shortages

According to the prescribed methodology, only two occupations were found to be critical to Economic Growth Region 9 —registered nurses and licensed practical nurses. Those are categorized as Tier 1 occupations.
Registered nurses and licensed practical nurses were determined to have critical occupation shortages for the following reasons:

- The 65+ age group is projected to increase continuously until 2040 as a percent of the total populations (Indiana Business Research Center).
- The shortage is well documented and we have a higher degree of confidence in the growth and replacement rates in these occupations compared to others.

A secondary purpose for choosing these occupations is that we believe we can learn more about "the process of improvement "in the health industry that can be applied to other shortage areas.
A group of five hospital administrators and nursing educational leaders from Ivy Tech and Indiana University-Purdue University of Columbus have met for two years and taken actions to reduce the nursing shortage in the region. With the new configuration of Economic Growth Region 9, there was an opportunity to include other area hospital administrators and Ivy Tech representatives from Madison and Lawrenceburg to broaden the initiative.

Some of the characteristics of improvement that have been seen to be effective that is consistent with the Strategic Skills Initiative methodology:

1. Define the current shortage.
2. Define the current supply of production.

(Note: Defined certificates and/or degrees assist in quantifying shortages and supply.)

3. Determine migration or other patterns/events that may have an impact on the outcome of supply.
4. Define the causes and constraints to the flow of potential employees to the occupation.
5. Gather resources and initiate actions to increase the supply.
6. Meet regularly with area constituents to monitor progress and discuss future actions that can be taken to prevent related shortages.

By using a similar approach in other industry sectors, there is an opportunity to understand shortages sooner and take more immediate actions. Building the capacity, organizational structure, and involvement of others will be important factors for Economic Growth Region 9 to make progress.

12.4.2
Tier Two Shortages (Transient Occupations)

Construction workers and truck drivers fall into the tier 2 category. They have the following characteristics:

- They are higher paying occupations (above $32,000/year).
- They have a high growth and replacement rate.
    - Construction is a seasonal and cyclical business.
    - Truck driver turnover runs in the 90-100% range.
    - There is migration back and forth among these occupations.
    - There is migration in and out of the region.
- Supply is difficult to track.
- Conditions of work can be difficult.

Additional data and more extensive research will be required to quantify the shortage and develop action plans.

12.4.3

Tier Three Occupations and Skills Shortages

Tier three includes the emerging markets and the career fields that are being created. These jobs are high paying and show a trend for growth. In the region, there are several industries that are experiencing growth and creation of jobs. With these new occupations, comes a need for different skill sets as well. Because the occupations are developing, the skills for the jobs need to be flexible.

Economic Growth Region 9 Emerging Occupations

Manufacturing	**Information/Technology**
◆ CNC Machining	◆ Computer Aided Drafters
◆ Injection Molding Engineers	◆ Software Engineers
◆ Mechanical Engineers	◆ Computer Repair
◆ Nano Manufacturing Specialist	◆ Webmasters
◆ Microbeded Systems Specialist	◆ Computer Security
HealthCare	◆ Geographical Information Systems (GIS) Technicians
◆ Specialized Health/ Diagnostic Technician	◆ Information Architects
◆ Ophthalmologist	◆ Fiber Optics Technician
◆ Healthcare Administrators	**Grants/ Employment**
◆ Geriatric Nurses	◆ Grants Specialist
Education	◆ Employment Specialist
◆ Education and training Specialist	

12.4.4

Future Demand for Skills

According to O-Net Online, there is a framework to better understand the relationship between these skill sets. It explains that as the economy grows to be more knowledge based, skills advance into more critical thinking. It also shows that the need for social skills continue throughout all of the skills.

Future Demands for Skills

Skills		Knowledge Based Economy
Resource Management **Systems** **Technical** **Complex** **Basic**	**S** **O** **C** **I** **A** **L**	

Source: o*net online

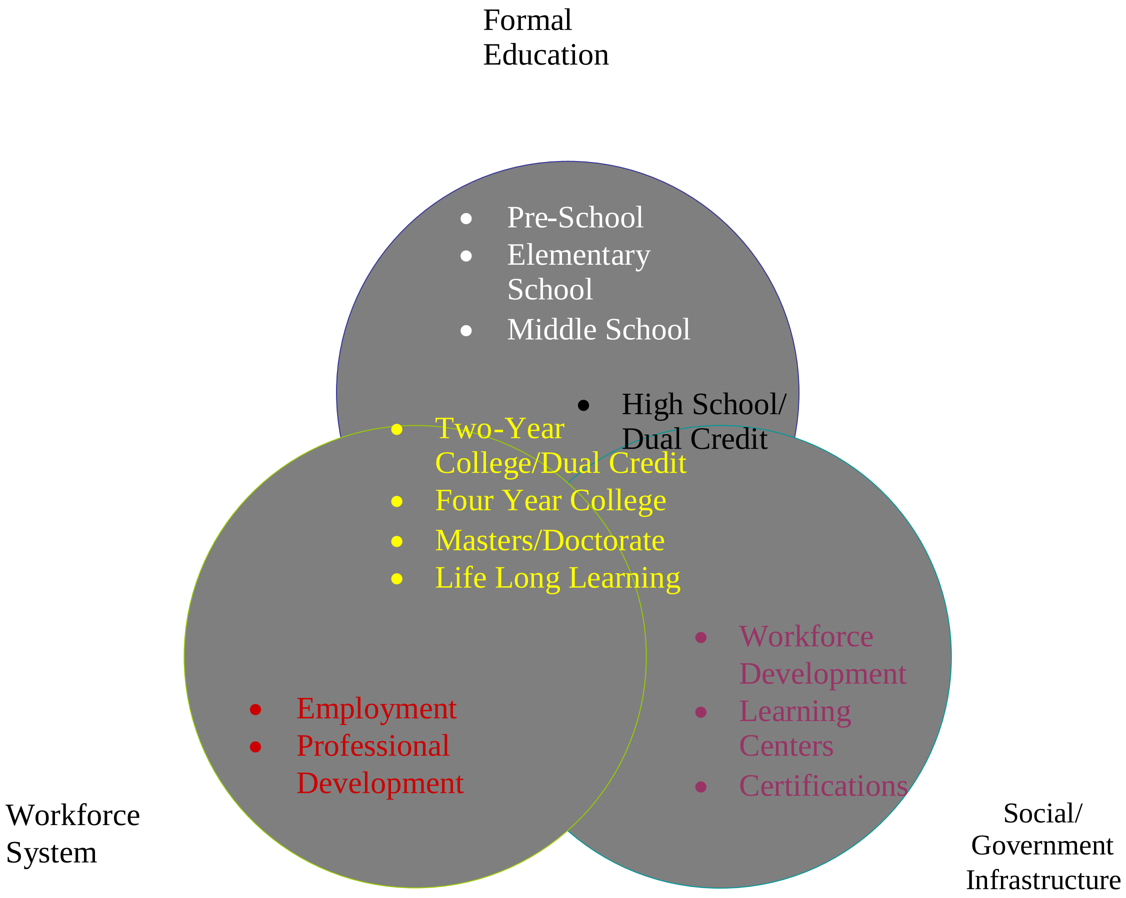
- In the 21st Century, 60% of all jobs will require skill possessed by only 20% of the current force
- Use of Information technology skills and specialized training in specialized training in specific applications will be required to advance
- One million Indiana workers do not meet the minimum literacy standards.

Source: Indiana Chamber of Commerce prepared by Future Works (January 2005)

12.4.5

Supply Source for Knowledge and Skills

The skills and knowledge needed to fill the occupations in Economic Growth Region 9 are coming from several different and interconnected areas. The first area where the skills are knowledge and skills can come from is Formal Training. This goes from Pre-School to Lifelong learning. It can also come from Social/ Government Infrastructure where there is workforce development, learning centers and certificates. Skills also come from the workforce system. Through employment and professional development, one can develop the skills to adequately do the necessary work.



13.0
Estimate the Magnitude

Each industry is going to be affected differently by the shortages in occupations and skills. Therefore, it is necessary to study the industries separately to find out what the magnitude of the industries is going to be.

13.1
Manufacturing

The following key points came out of discussion in focus group meeting with business representatives for manufacturing:

1) Global competition will continue and jobs (lower skill and some professional) will be eliminated and/or outsourced.
2) The remaining manufacturing jobs will require multi-tasking and an upgrade in existing skill sets.
3) Manufacturing niches will continue to emerge and value added products and services will be required to compete. Improvement in overall skills of the workforce will be a key to success.

13.2
Health Care and Social Services

With an increase in an aging population, health care services will be of a premium. Shortages of registered nurses and licensed practical nurses will have a direct impact on the quality of health care provided in hospitals and long term care units.

The ability to recognize and respond to emerging specialized health occupations will also play an important role in increasing health care services and improving longevity and quality of care.

13.3
Retail Trade

While Retail Trade does not appear in the list of high paying jobs overall, there is a large demand for future employees. It would appear that the establishment of larger and fewer stores would continue to decrease as it has from 2001-2004 (5.4% in number of establishments in Economic Growth Region 9).

13.4
Educational Services

Educational Services employment has been on the rise for the last 10 years. With continuing pressure to provide a quality education, schools will continue to focus on student achievement and lifelong learning skills. Math and Science shortages are somewhat universal through out the state and country. We can expect to see more focus on these faculty requirements in the short term.

13.5
Accommodation and Food Services

While these are normally lower paying occupations, there will continue to be a strong demand for employment in this industry. Members of an aging population and immigrant workers will continue to play a large role in filling the Accommodation and Food Services jobs.

13.6
Transportation and Warehousing

The industry has been on the rise in importance to the region's economy in the last 10 years. Approximately 70% of all freight in tonnage is moved by trucks at a value of 87% to the economy. In interviews with representatives of the industry, it is estimated that there is a 10-15% loss in throughput time of freight because of the shortage of truck drivers. This impacts the revenue generation of their customers.

13.6
Administrative Support and Waste Management Remediation Services

Personal, business, and personnel services make up the largest sub-sectors in the industry. They have grown significantly in the last decade and can be expected to continue as employees and businesses have less discretionary time to take care of all of their needs.

13.7
Construction

Construction employees will continue to 'go with the work.' The Indianapolis area is a primary growth area during the next few years of new construction projects. Carpenters and electricians are currently showing labor shortages. Trade unions will continue to play an important role in supporting and placing construction workers.

13.8
Arts, Entertainment, and Recreation

The industry grew the most percentage wise during the last decade. With the approval of gambling in Indiana, the river boats in Dearborn, Ohio, and Switzerland continue to play a major part of that economy. Approximately 25% of all employment in those counties is in the Gambling, Hospitality, and Tourism sub sectors.

A shortage of hotel employees in particular will continue to be a challenge. Basic skills and customer service skills will be important to maintain.

14.0

Regional Consortium and Industry-Partner Engagement

In September 2005 the Core Team for Economic Growth Region 9 was formed to develop a *Request for Proposal* in the Strategic Skills Initiative. Economic Growth Region 9 is being restructured to include three counties from Region 10 (Bartholomew, Jackson, and Jennings) and seven counties from the present Economic Growth Region 9 structure (Dearborn, Decatur, Franklin, Jefferson, Ohio, Ripley, and Switzerland. The new structure will become effective July 1, 2006.

As part of the engagement process, there was a conscious decision to form a consortium that would in fact transition into the Workforce Advisory Board of the future. In late September there was a meeting with Local Elected Officials from each of the counties to explain the new structure and solicit their input and choice on a representative for their area. The Workforce Advisory Board is made up of 14 representatives for Economic Growth Region 9: a business representative from each county and four additional representatives from the largest cities in Economic Growth Region 9 (Columbus, Seymour, Madison, and Greensburg). The four at-large representatives represent Community, Economic Development, Business, and Labor.

In addition, the strategy called for the Local Economic Development Officials from each county to take an active role in supporting the SSI proposal and be a convener of business representative for meetings during the three phases of the SSI project. The expectation is that their involvement will be vital after the action plans of SSI projects are developed and submitted for approval on a competitive basis.

In early October there was a meeting with the new consortium and Workforce Advisory Board to review the Request for Proposal in the Strategic Skills Initiative. A presentation of the key points of the RFP was made, followed by discussion. Signatures of support were provided as part of the application that was submitted to the Department of Workforce Development.

Upon approval of the RFP, work began immediately with the LEDO's to establish a focus group schedule that involved business representatives from all counties. During the months of October and November, eight focus group meetings were conducted. There were seven meetings that were for all counties that were with business representatives from major industry sectors in all counties. The presentation included data specifically for the counties that were represented in the meeting. Input on key industries and occupations where shortages existed were received. A standard set of questions was asked in each focus group. In addition to occupation shortages, there was a discussion on skill shortages.

The minutes of each meeting were summarized and sent to each focus group participant. They were invited to confirm that the summaries reflected their understanding of key points in the meeting. They were also asked to submit additional thoughts or questions they might have after leaving the meeting. Several participants did exactly that and it was beneficial to our analysis and research.

In addition to the region wide focus groups, additional primary research occurred through:

- A regular meeting with the Southeast Indiana Hospital and Education Consortium in Seymour, Indiana.
- A meeting with the CEO of the Schneck Medical Center and his staff. This provided an organizational view of the interaction of key health occupations and shortages.
- Individual interviews were held in industry sectors that showed high growth and replacement requirements for the 2002-2012 periods. Sectors included computer technology, post-secondary education, secondary education, gaming, trucking, supervision, and emerging occupations.

Regular bi-weekly progress reviews were sent out to all Local Elected Officials, Local Economic Development Officials, and the Workforce Advisory Board.

As part of the *Request for Proposal* the development of a website that will provide a communication and collaboration platform was included. The web site will be completed by February 1, 2006 and will have features that allow for polling and surveys, work group formation, on-line discussion capability, and posting of current research and information unique to their county and/or industry.

The Workforce Advisory Board has reviewed this report and had opportunity to ask questions, provide input into the industry sector and occupational shortages that are outlined in our summary. As there is a transition into Phase 2 and 3, the involvement structure as described above will continue to be used. Their participation and ownership will be vital to Economic Growth Region 9 as progress is made for recommended solutions and action steps.

APPENDIX A

Research Resources

Briefing Papers and Reports

Columbus Area Career Connection. “New Direction C4 and the Millennial Generation.” August 2005.

Columbus Area Job Information Project. “Linking Careers with Education.” Indiana Human Resource Investment Council. July 2004.

Futureworks Strategies for Regional Development. “A Demand-Side Strategy to Meet Indiana’s Workforce Basic Skill Challenge.” Indiana Chamber of Commerce Foundation. January 2005.

Indiana Business Review. “Indiana’s Median Age is Pushing Forty.” Summer 2003.

Center of Urban Policy and the Environment. “Third Year Evaluation of Riverboat Licensee for Switzerland County, Indiana” 2004.

Lindsey, Brink. “Job Losses and Trade.” Cato Institute March 17, 2004

Society of Human Resource Management. “Exploring the Future of Work.” No. 3 2005.

Society of Human Resource Management. “SHRM 2004-5 Workplace Forecast A Strategic Outlook.” June 2004

VHA Health Foundation. “Community-Wide Career Ladders for the Health Care Sector.” December 2002.

Warren, Charles Dr. “Indiana’s Poor Economy Causing Many Hoosiers to Struggle” Indiana Coalition of Housing and Homeless Issues. October 10, 2005.

Warren, Charles Dr. “Pathways to a Livable Wage.” Indiana Economic Development Council: A Joyce Foundation Project. May 2001.

Strategic Plans

Columbus Economic Development Board Strategic Plan 2005

Economic Development Strategic Plans for Regions 9 and 10 2004

Newspaper Articles

Associated Press. “Report: Quality of Life Declines.” The Republic. October 17, 2005.

Marcus, Morton “Intermodal Transit Holds Promise for Development.” The Republic. October 10, 2005.

Surveys

Burnett, John. “1999 Community Education and Training Needs Assessment.” 1999.

Jackson County Industrial Development Corporation. “Employers, Educators, and Students 2000 and 2004.” 2004.

Jefferson County Economic Development. “Business Survey.” Summer 2005.

Region 10 Depart of Workforce Development. “Skills Survey.” August 2003.

Focus Group Meetings:

Bartholomew County Group Interview. Personal. November 9, 2005.

Dearborn and Ohio Counties Group Interview. Personal. November 30, 2005.

Decatur, Franklin, and Ripley Counties Group Interview. Personal. November 16, 2005.

Jackson County Group Interview. Personal. November 14, 2005.

Jefferson and Switzerland Counties Group Interview. Personal. November 14, 2005.

Jennings County Group Interview. Personal. November 4, 2005.

Schneck Medical Center CEO and Staff Interview. Personal. October 31, 2005.

Southeast Indiana Hospital and Nursing Consortium Interview. Personal. November 15, 2005.

Industry Segment Interviews:

Bolkhorst, Rick. Personal. November 23, 2005

Hess, Jack. Personal. December 1, 2005.

Jensen, Bill Dr. Personal. November 3, 2005

Kregers, Andrejs. Personal. November 18, 2005

Lucas, Marshall Personal. November 22, 2005

Taylor Brothers Inc. Personal. November 16, 2005

Taylor, Rich. Personal. November 10, 2005

Winakate, Debbie. Personal. November 16, 2005

Appendix B

Focus Group Presentation

Strategic Skills Alliance

Focus Group Presentation

November 2005

Agenda

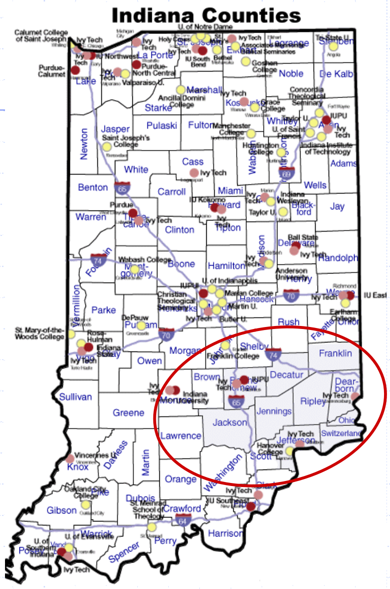
- **Introductions**
- **Background- SSI**
- **Overview of Data**
- **Group Discussion**
- **Next Steps**

State Workforce Development Goals

- **Grow jobs and employment**
- **Increase personal income**
- **Deliver premier customer service**

Workforce Development Changes

- **By July 1, 2006 a single state Workforce Service Area**
- **16 Workforce regions reduced to 11**
- **Regional advisory boards in place**
- **Planning phase completed by June 2006 - $3M Funding Statewide**
- **Approved action plans $20M Funding Statewide**



Region 9
- •Bartholomew
- •Dearborn
- •Decatur
- •Franklin
- •Jackson
- •Jefferson
- •Jennings
- •Ohio
- •Ripley
- •Switzerland

Strategic Skills Initiative Goals

- Establish strong, working relationships among the counties in the region so that citizens are prepared for current and future work
- Build information and communication network throughout region
- Identify gaps in worker skills and seek to fill them
- Identify current and predicted skill shortages and their root causes.
- Develop regional strategies for filling the gaps
- Provide a better, direct connection of secondary schools and curriculum to post secondary schools and their program offerings
- Identify and bring new funding, while leveraging existing funding to support development of the workforce
- Better use and network local state supported post secondary institutions

Region 9
Summary Of Demographics

- The region represents 5.0% of total Indiana population.
- Between now and 2015 college age group (18-24) decreases in all counties (36%).
- The 65+ age group increases by 22%.
- The traditional workforce population(18-64) grows by less than 1 %.
- Labor shortages will continue.
- Major implications for demand on health care and extension of the workforce.
- Loss of manufacturing jobs is a major factor for reduction of employment and wages.
- Education attainment levels of adults 25+ years of age is below State of Indiana average (15.2% vs. 19.4%)

Region 9 Industry
Employment and Wages

Industry Sector	2004 Employment %	1994 Employment %	2004 Avg.Annual Wages per Job
-Manufacturing	28.5	32.6	$45,500
-Health Care and Social Services	10.7	10.6	$35,360
-Retail Trade	10.6	11.6	$20,436
-Educational Services	7.3	6.3	$31,304
-Accommodation/ Food Services	6.9	7.2	$10,868
-Transportation/Warehousing	5.2	4.3	$35,880
-Administrative/Support	4.7	3.0	$23,869
-Construction	4.2	4.0	$35,308
-Public Administration	4.0	4.0	$28,231
-Arts/Ent./& Recreation	3.8	0.7	$27,560

Gain/(Loss) In High Wage Jobs 1994-2004

- **Gain**
  - Transportation Equipment Manufacturing 3,560
  - Ambulatory Health Care Services 1,305
  - Warehousing and Storage 897
  - Construction 851
  - Truck Transportation 841
  - Primary Metal Manufacturing 761
  - Miscellaneous Manufacturing 727
- **(Loss)**
  - Machinery Manufacturing (1595)
  - Paper Manufacturing (533)
  - Furniture Manufacturing (491)

Avg. of all jobs in Region 9-(2004) $34,372

Competitive Strength Analyses

Location Quotient	**Measure of industry's concentration in a region relative to the rest of the nation.**
Shift Share Analysis	**How well the region's current mix of industries is growing and how well businesses are doing.** **-National Growth** **-Industry Mix** **-Local impact and competitiveness**

Depends upon "the spin"--Opportunity or Inefficiency?

Potential Competitive Strength Candidates

- Machinery Manufacturing
- Warehousing and Storage
- Management of Companies and Enterprises
- Miscellaneous Manufacturing
- Fabricated Metal Product Manufacturing
- Ambulatory Health Care Services
- Chemical Manufacturing
- Truck Transportation
- Transportation Equipment Manufacturing
- Beverage and Tobacco Product Manufacturing

Projected Increase In High Paying Jobs Through 2012

REGION 9

Truck Drivers	1290
Teachers	500
Construction	400
Registered Nurses	370
Trades Workers	330
Supervisors	170
Licensed Practical Nurses	130
Bus and Truck Mechanics	110
Electricians	80

Jennings County High Wage/High Employment

- Plastics-Mold Manufacturers
- Machine Tools
- Automobile Parts and Suppliers
- Electroplating
- Plastic Bags
- Specialty Trade Contractors
- Finished Plastics Products
- Hospital
- Banks

Bartholomew County High Wage/High Employment

- Engines, Industrial Trucks
- Automobile Parts and Supplies
- Metal Stamping
- Forgings
- Corrugated and Solid Fiber Boxes
- Plastics and Rubber Products
- Hospital
- Ambulatory Healthcare
- Banking
- Motor Freight

Jefferson County
High Wage/High Employment

- Mufflers and Exhaust Systems
- Automobile Parts and Suppliers
- Hospital
- Schools
- Electric Companies
- Castings
- Electric Motors
- General Industry Machinery
- Plastics Products
- Banks

Switzerland County
High Wage/High Employment

- Casinos
- Trailer-Manufacturers
- Schools

Jackson County
High Wage/High Employment

- Automobile Parts and Supplies
- Engines
- Hospital
- Manufacturers
- Specialty Trade Contractors
- Paper Manufacturing
- Powder Metal Products
- Chemical Manufacturing
- Schools

Franklin County
High Wage/High Employment

- Schools
- Hospital
- Roofing Materials
- Molded Rubber Goods
- Banks

Ripley County
High Wage/High Employment

- Casket Manufacturing
- Tool and Die Manufacturing
- Hospital Equipment
- Hospital
- Box Manufacturing
- Schools
- Furniture Manufacturing

Decatur County
High Wage/High Employment

- Plumbing Fixture Manufacturing
- Automobile Parts and Suppliers
- Automobile Radiator
- Hospital
- Foundries
- Packaging Materials
- Powder Metal Parts
- Banks
- Steel Processing

Ohio/Dearborn Counties High Wage/High Employment

- Casinos
- Hospital
- Schools
- Distilleries
- Glass Containers
- Caskets
- Electric Companies
- Steeling Reinforcing

Next Steps

- Complete focus group meetings in November.
- Summarize findings from data collection, analyses, focus groups, and interviews.
- Complete report on SSI Phase 1--Critical occupation and skill shortages.
- Present to Region 9 Workforce Board.
- Submit to Indiana Department of Workforce Development by year end.
- Start Phase 2- Collect and analyze data on root causes.

Occupation and Skill Shortage Report

Region 9
Strategic Skills Initiative
December 13, 2005

Strategic Skills Initiative Region 9

- Three phases
  - Phase One- Defining occupation and skill shortages
  - Phase Two- Determine root causes
  - Phase Three- Develop regional solutions

Purpose of Meeting

- Provide summary of research in Phase 1.
- Discuss findings of key industries, critical occupations and skill shortages in Region 9.
- Discuss next steps and approval of report.

Agenda

- Introductions
- Present study findings
- Discussion
- Next steps of SSI
- New Business
  - Grant Opportunities
  - WIB Organization

Goals of Phase One

- Identify industries or clusters in EGR 9 that are key to the regions economic future.
- Identify the occupations and skill sets that are critically important to those key industries' strength and competitiveness.
- Determine which, if any, of those critically important occupations and skill sets are now in shortage or likely to be in shortage in the short (next two years) and long term (6-8 years).
- Estimate the magnitude of the existing short and long term shortages.

Research Process

- Community audits
- Regional and county economic and workforce studies
- Newspaper articles
- Foundation reports
- Internet research
- SSI data sets
- Surveys
- Focus groups covering all counties
- Interviews with key industry representatives
- Business outlook and panel discussions
- Community presentations
- Details in Appendix A

Region 9 Employment

INDUSTRY	2004EMPLOYMENT	%
Manufacturing	37,583	28.5
Health Care and Social Services	14,287	10.7
Retail Trade	14,066	10.6
Educational Services	9,719	7.3
Accommodation and Food Services	9,224	6.9
Transportation and Warehousing	7,815	5.2
Administration Support and Waste Management and Remediation	6,211	4.7
Construction	5,557	4.2
Public Administration	5,306	4.0
Arts, Entertainment, and	5,066	3.8

Industries with Above Average Wages

Industry	# of Employees	Average Annual Wage
Utilities	1,217	$53,572
Management of Companies And Enterprises	2,774	$53,125
Manufacturing	37,853	$43,996
Finance and Insurance	3,291	$43,773
Professional, Scientific, and Technical Services	2,382	$38,409
Wholesale Trade	2,613	$37,964
Mining	221	$37,949
Transportation and Warehousing	6,929	$32,591
Average of All Industries		$32,375

Gain/(Loss) In High Wage Jobs 1994-2004

- Gain
  - Transportation Equipment Manufacturing 3,560
  - Ambulatory Health Care Services 1,305
  - Warehousing and Storage 897
  - Construction 851
  - Truck Transportation 841
  - Primary Manufacturing 761
  - Miscellaneous Manufacturing 727

- Loss
  - Machinery Manufacturing (1,595)
  - Paper Manufacturing (533)
  - Furniture Manufacturing (491)

Forecast of Growth in High Paying Occupations 2002-2012

Occupation	Growth	Replacement	Total
Truck Drivers	1290	540	1830
Teachers	900	830	1730
Construction Extractors	400	1310	1710
Trades Workers	330	830	1160
Registered Nurses	370	340	710
Supervisors	170	370	540
Licensed Practical Nurses	80	160	240
Bus and Truck Mechanics	110	100	210

Selection of Key Industries

Industry	Supporting Factors
Machinery Manufacturing	High wages, high employment competitive strength
Transportation Equipment Manufacturing	High employment, fast growth, competitive strength
Health Care	Aging population, high employment
Education	High need for education services, competitive strength
Transportation and Warehousing	Growth in jobs, wages
Arts, Entertainment, & Recreation	High employment in Dearborn, Ohio, and Switzerland counties

Emerging Industries

Industry	Supporting Factors
Chemical Manufacturing	Small employment, But high growth, Agri-Business
Heavy and Civil Engineering	Growth, Wages
Wholesale Trade	Brokerage, distribution, logistics, and wages
Small Business Enterprise Development	50% of new jobs are created from businesses with 100 or less employees; wages are comparable to larger business

Primary Research

- **Focus Groups**
  - **Seven meetings in November covering all counties**
  - **Standard presentation (Appendix B)**
  - **Standard set of focus group questions**
  - **Summarized and sent reports to each participant**
  - **100 business representatives**
- **Industry representative interviews**
  - **Post-secondary education**
  - **Secondary education**
  - **Gaming industry**
  - **Trucking company**
  - **Supervisor recruiting firm**
  - **Computer software company**
  - **Hospital CEO and staff**
  - **Southeast Indiana Hospital and Education Consortium**
  - **Small Enterprise Development Center**
  - **Construction Company**

Key Themes

- The Dynamics of "Job Churning"
  - From 1993-2003 17.8 million jobs were added to U.S. economy
  - To produce that net increase 327 million jobs were added and 309 million jobs were lost.
  - Innovation, productivity, and "off shoring" are key factors
- The Impact of the Baby Boomer Age Group
  - Traditional employment group (18-64) will grow less than 1% in the next 10 years.
  - Health care will be of critical importance.
- Emergence of a New Work Force
  - Regionally Hispanic population has increased from 1130 in 1990 to 4851 in 2005.
  - 64+ workforce is growing.

Key Themes

- Knowledge based economy requires a variety of educational and learning opportunities.
- Educators and employers are searching to find a common language and way of working together.

(St. Joseph County approach)

  - "Why can't our schools turn out students we can employ?"
  - "Why don't employers tell us what they need?"
  - "How do we bridge the communication gap between schools and employers?"
  - Objective: To adopt a regionally-recognized system for the assessment and improvement of work-related skills that is equally meaningful for educators and employers.

Selecting Critical Occupations and Skill Sets Shortages

- Tier One — Occupations that are in high demand, provide better than average wages, and the supply of workers is relatively well known and understood.
- Tier Two — Occupations that are in high demand, provide better than average wages, but the supply is not well known or understood at the present time.

  Tier Two also includes inadequate or new skill sets required to influence the performance of high demand and better than average wage occupations.
- Tier Three — Occupations that are emerging and show signs of future high demand.

Region 9
Tier One Occupation Shortages

- Registered Nurses
- Licensed Practical Nurses

Region 9
Tier One Shortages -2005-2012

Registered Nurses	2006	2007	2008	2009	2010	2011	2012
Lower estimate	22	(37)	(88)	(106)	(151)	(163)	(202)
Middle estimate	92	52	21	24	1	12	(3)
Upper estimate	162	141	130	154	153	187	196

Key: ( )=surplus

Region 9
Tier One Shortages -2005-2012

Licensed Practical Nurses	2006	2007	2008	2009	2010	2011	2012
Lower estimate	3	7	(46)	(40)	(91)	(83)	(132)
Middle estimate	31	45	3	21	(17)	5	(29)
Upper estimate	59	83	52	82	57	93	74

Key: ( )=surplus

Region 9
Tier Two Occupation Shortages

- Special Education Teachers
- Math and Science Teachers
- First Line Supervisors
- Truck Drivers
- Construction Extractors
- Carpenters
- Electricians
- Bus and Truck Mechanics

Region 9
Critical Skill Shortages and Shift

- Basic skills (reading, writing, and mathematics) and work ethic
- Computer skills
- Critical thinking skills (complex problem solving)
- Technical skills (robotics, automation, equipment maintenance, quality control analysis, and operation monitoring)
- Systems skills (judgment, decision-making, systems analysis, and systems evaluation
- Resource management skills (supervisory, leadership)

Region 9 Current List of Emerging Occupations

Manufacturing	**Information/Technology**
◈ CNC Machining	◈Computer Aided Drafters
◈ Injection Molding Engineers	◈Software Engineers
◈ Mechanical Engineers	◈Computer Repair
◈ Nano Manufacturing Specialist	◈Webmasters
◈ Microbeded Systems Specialist	◈Computer Security
HealthCare	◈Geographical Information Systems (GIS) Technicians
◈Specialized Health/ Diagnostic Technician	◈Information Architects
◈Ophthalmologist	◈Fiber Optics Technician
◈Healthcare Administrators	**Grants/ Employment**
◈Geriatric Nurses	◈Grants Specialist
Education	◈Employment Specialist
◈Education and training Specialist	

*Regional Focus Groups and interviews

Recommended Region 9 Workforce Development Goals

- Increase the number of occupations in Tier 1 through additional data development and analysis
- Develop a systematic approach to skill assessment and improvement of work related skills.
- Develop a system to detect and track potential emerging occupations.

Forecast of Impact of Shortages

- Lower skilled Manufacturing occupations will be reduced or eliminated through productivity or outsourcing.
- Restructuring of Manufacturing occupations with focus on multi-task requirements and value added knowledge and skills.
- Increase in quantity and quality of health care.
- Fewer and larger stores in retail.
- Education is the key to make the transformation.
- Immigrant employees will grow in number and importance to the economy.
- Transportation, warehousing, and logistics will grow in importance as an exporter of products and services to Region 9.
- Personal and business services will continue to grow.
- Arts, entertainment, tourism, and recreation will be additional drivers of quality of life for the region.

Summary Thoughts

- Acknowledge shortcomings, but build on strengths.
- All shortages are not necessarily bad—they fuel innovation and change in technology and practices.
- Competition and cooperation are opposite sides of the same coin—both serve a purpose and together shape progress.
- Intangible assets will continue to increase as a percentage of total capital—the knowledge based economic system is at the core.

Next Steps

- Discussion of presentation
- Review report
- Provide feedback by Monday, December 19th
- Present report to Indiana Department of Workforce Development by December 21st
- Prepare for Phase 2- Define root causes

Focus Group Summaries

Region 9

Bartholomew County Focus Group

1. Difference in the key industries in your county.

    a. A need for companies that provide upward mobility, i.e. more than two levels and provides potential for career paths.
    b. A need to reshape the workforce through changing the type of jobs, create new ones that are higher paying and require high knowledge and skills.
    c. I-65, I-71, and I -74 form natural boundaries of the region.
    d. Two thirds of the country is within one day travel of the region.

2. Given what you know about your industry and community, what would you anticipate as new job growth and new job loss from now until 2012?

    a. New technology will continue to increase, example embedded systems.
    b. Gazelle companies with employment of 100 or less are seen as source of emerging industries and occupations.
    c. Homeland security and military bases.
    d. Tourism and retail (the Columbus, Nashville, Bloomington creative community concept.
    e. Manufacturing of medical devices (bio/med).
    f. New security requirements in packaging, requires a better educated workforce.
    g. Food serving and preparation/retail sectors are growing.
    h. Job loss in industries related to gray iron.
    i. Global sourcing and intensity of labor are major factors in job loss.

3. The capability of your current workforce? (ex. skill sets and knowledge relevant to work)

    a. Skill shortage
    b. Not a ready pool of candidates in the labor pool.

4. Given the projected summary of demographics, what do you expect the demands of your workforce in the future.

    a. Education will play a major role.
    b. Employee availability is a major issue—churning of the workforce will continue.
    c. Need to give the collage age group (18-24) a reason to stay.
    d. Transition from physical skills to knowledge base—robotics, automation, and programming.
    e. Life skills will continue to be important.

Region 9

Decatur County Focus Group

1. Difference in the key industries in your county.

a. Immigration is not covered in the demographics. The projected 1% growth rate will be greater due to the influx of immigrants.
b. There is a disparity impact for education statistics are concerned. Some counties are above the state average and some are far below the average and are dragging others down. Two are above average and the others are below the state average. National average for having a degree above a bachelor's degree is 26%. Indiana has an average of 19.6%. http://www.census.gov/population/socdemo/education/p20-536/p20-536.pdf
c. Ambulatory may include hospitals for outpatient services (less than one day.)
d. Hospitality industry has high volume jobs but not high paying. Tourism is viable for economic development.
e. Delphi's legal problem and subsequent reduction in forces is going to create problems. Manual labor wages will not continue to have the same high wages. This will cause a shift in the artificial inflation of wages for moderately skilled workers and the jobs will be reduced. Therefore, the over abundance in workers will be reduced. This simply means that the market is making natural adjustments.
f. Immigrant workforce is not forcing changes.
g. Workers have gone into training. There will be a shift in data and find out where they will go.
h. Heath Care manufactures are building up capability because they expect as the baby boomer generation ages, their product will be in more demand.

2. Given what you know about your industry and community, what would you anticipate as new job growth and new job loss from now until 2012?

GROWTH

a. Baby Boomer age will increase sales significantly in health care products and services.
b. Technical, professional, finance, strategy, marketing will be growing fields for companies.
c. Technical skilled trade for manufacturers will grow as technology increases.
d. Manufacturing jobs of low skill will go more to automation. This will increase the need for workers with 2 year technical degrees to maintain the equipment. This also causes a need to get individual interested in the jobs that local companies offer. If not, a brain drain will occur and there will be no ability to get the kind of workers into the area that will be able to work with advanced machinery.
e. Biotechnology will be a good field for growth. This will be a good secondary platform for companies to advance into.
f. Transportation and logistics is growing.

LOSS

a. Entry level manufacturing
b. VCR Technicians
c. Some CNA jobs are going from hospitals but are going to home health care.
d. Need more training for other jobs new technical fields in the medical real as some low tech med careers are fading out due to new innovations.
e. Administrative positions are being reduced.
f. Age of workers especially in the baby boomer age is causing attrition.
g. Absence of workers has shifted to automation and gone to other countries/ offshore.

3. The capability of your current workforce? (EX: Skill Sets and Knowledge relevant to work) and expected demands of your workforce will be in the future

CAPABILITY

a. Innovation
b. Grow your own
c. Looking into the future.

DEMANDS

a. Hospitality needs training- inns/ hotel industry
b. Writing, verbal, math.
c. Enterprise needs to provide specific training
d. Jobs used to be task orientated. They need to now understand, quality, flow and how to be systematic.
e. Organizations are getting flat which causes a need for people to shift.
f. There is a disconnection between education and employers which creates misunderstandings. The school needs to set expectations for the students that will help them to understand future demands.
g. Need to be reminded that times have changed
h. Family environment is that hardest boundaries to overcome. Students need to understand the importance of education and some soft skills like attendance, hard work and working with others. Perhaps the bottom 20% IS AFFECTED BY THIS THE MOST as they do not go to college.
i. There needs to be a map for curriculum to match where the future is going.
j. ODD shifts showing deficiency. Most companies are too capital intensive to stop. Expectations are hard to overcome.

PROBLEMS

a. There is a crisis of entry level. They need remediation on social norms.
b. Industries need to have a buy in. Employees need to understand that to get something, the have to give something. This does not mean that they are instantly having entitlement.

c. Not everyone can have degrees. No problem training technical skills, but don't want to remediate basic skills.
d. Soft skills still not enforced Education field is being judged by bottom 5%. Won't train for jobs.
e. Industry needs to train. Kids don't come back and can't attract them back. 70% goes to a secondary school. Assoc…cert.
f. In addition to 50% WON'T graduate. Some come and find their way through paid training.
g. How to bring people and grow population. Triangle park
h. Kids go to temp jobs with no benefits and can't live properly. Health care and overhead is killing is killing companies.
i. Paradigm shift is being caused in companies. Therefore, they are riding out into the future.
j. More employers going into the schools to do presentations.
k. School system cannot push too hard for industries without taking away from the children's education

PROJECTS JOINT TO INDUSTRIES

a. JOB Shadowing (2 years)
b. Careers class for 6 weeks, tours of companies
c. Reality fair
d. MINI- Junior achievement

Jackson County Focus Group

1. Difference in the key industries in your county.

d. Teachers- Wages stated in the report might be wrong for as elementary and secondary are the same in pay
e. There are several truck hubs locating in Seymour.
f. Growth industrial wise is going to compound on the transportation. Perhaps rails will be an alternative if gas prices continue to rise.

2. Given what you know about your industry and community, what would you anticipate as new job growth and new job loss from now until 2012?

GROWTH

g. Aisin forecasting growth is slow
h. Pharmaceuticals is increasing
i. Automotive lighting is flat for one year, but grows after on year
j. There is a problem getting degreed individuals to come to Seymour. For technical expertise for Electrical Engineering and optics and Mechanical Engineering is fine.
k. There is a need for an increase in skills for manufacturing workers ("Specialty" workers.) These skills will not be transferable between differing manufacturing groups. There will be a need for multitasking and a decrease in workers because of automation. One of the problems is that it takes to long to train entry level workers they are going to need technical training.
l. Entry level is difficult t find. Some have implemented the temp service and temp to hire. People drinking and using drugs are problem.
m. Cummins will loose ½ of its workforce due to retirement by 2008.
n. Immigrant workforce is strong. It is the largest growing 400% since 2001.

LOSS

a. Service workers and restaurants might stabilize or drop workers.
b. There will be a loss in unskilled jobs
c. SHOULD FOCUS ON REPLACEMENT JOBS. Only gives half of job loss.

4. The capability of your current workforce? (EX: Skill Sets and Knowledge relevant to work) and expected demands of your workforce will be in the future

SKILLS

a. Automation- people will need to gain skills to work with and fix new innovations.
b. Work groups will need to be flexible. Need more skills for working with people. They also need to know how to do preventative maintenance.
c. Quality is a transferable skill that could be moved from one company to another.
d. Training internally is needed.

e. Midlevel skills needed. Mechanical aptitude is going to be needed.
f. Autonomous teams will play a major role in companies. Perhaps management will go into more of a strategic role. This will demand different types of skills sets.
g. Translation and training for an immigrant force. This also raises the question of if they have real papers. It is a waste to do it if they aren't legal.
h. Immigrants will probably stay.
i. Reading writing and arithmetic is not satisfactory. Soft skills like leadership, being on time, work ethics, being polite and not talking back are not satisfactory. Technical skills and soft skills need to be trained somewhere if they are not taught in the school.

DEMANDS

a. Demographics will change. People will work 2 jobs. Mentality of people will need to change.
b. Adaptability will be forced. Culture will change.
c. Increase in true technological competition.
d. Demand for work vs. family
e. COMPUTERS changes lifestyles and demands.
f. Groups of industries might need to put some post high school programs in this area.
g. IVY TECH will be KEY to training.
h. RN- not meeting the demand. Need more
i. Has more specialization in health care.
j. More demand for Physician Assistant.

5. Difference in the key industries in your county.

a. Computer Jobs do not show on the micro level. Macro level it affects every industry.
b. Truck Drivers- Sees that kind of demand listed in the report. There are more classified ads for truck driving that for health care. Right now contracts for obligation of time for training are not required. Most trucks in Indiana run 48 states. The trucking company in Madison moves big things and requires a special kind of personality to do it.
c. Supervisors- Is there really a shortage? YES. There is always a need for good quality and high skill sets supervisors. Most companies are getting by with what is handed to them. More are trying to promote from within. The "unstated" policy is to promote to the level that a person becomes incompetent. SKILL SETS is a big problem. Some supervisors are mechanically inclined, but not administratively inclined. Computer, work ethic, supervisory and people skills are needed. There is a need to find odd working shift supervisors.
d. Biggest difficulty is globalization- especially for companies like plastics and metals- lots are made by off shore competitors- need people to be more efficient, understand competition, innovative, need to be more business savvy
e. Competition drive wages down- because of the trade with China. As Mitch Daniels said, "You've got to be competitive." If wages are an issue, it is as easy to move to another state as it is to move to another country. Automation is an easy solution because computers don't get sick.
f. Automation has been a solution because it uses fewer employees, and that causes a need for higher skill levels and analytical skills for employees.
g. Workforce is coming more efficient, data collection, analytical. Identify problem and root cause.

6. Given what you know about your industry and community, what would you anticipate as new job growth and new job loss from now until 2012?

GROWTH

a. Labor situation- heavy use of immigrant workers in entry level… is it extensive? It isn't that heavy in this area? Feeling about the legality of workers. They do have work ethic.
b. Health care- specialized jobs. Physical therapists, RN, pharmacists
c. Engineering, Logistics transportation, and technical (automation)
d. Gaming industry- Entry level up- growth within and has rapid growth
e. Smaller component and simpler- inspection and material handlers and quality jobs: value added parts
f. Service industry is growing

LOSS

a. Entry level manufacturing,
b. welding (down),
c. manufacturing,
d. LPN going away (but going→ nursing homes)

7. The capability of your current workforce? (EX: Skill Sets and Knowledge relevant to work) and expected demands of your workforce will be in the future

a. Professional- skilled engineer cannot advance their skills or do continued training
b. Soft skills are needed for knowing expectations, timely
c. BUT- reading, writing and math need to improve. Need to push it in this area.
d. Problem solving and analysis.
e. 5/6 grade level- need remediation. Females better males.
f. Schools need to push attendance. Can check with school.
g. Skill set demands- More electronic degrees will be needed. Hard skills and transferable skills such as supervisory and computer will be needed
h. A younger workforce that will need to be more adaptable.

WORK KEYS-
Work keys should be relied on more for profiling jobs in the workplace. It keeps a database and is in schools and is a great assessment tool. It is also good at helping to find those with higher aptitude. It has reduced turnover and getting better quality.

MAYOR-

It is important to stay engaged: This project is a process designed to find out why there is such a big gap in supply and demand and find out how to solve it. This board will work to broker training or do a marketing campaign to attract competent workers. It may also encourage the need for a change of practices in the workplace. There is a possibility to bring training to the area. The board gives the information and drives the success of getting grants and can make a difference in the community. This can help to bring competition of educational facilities for training to fix deficiencies and possibly to introduce competition to improve quality of the training. This is not going to exclude anyone. This is meant to improve the quality of the workforce.

Region 9

Jennings County Focus Group

1. Difference in the key industries in your county.

a. The foundry is finding that due to global competition, demand is going down. However, in this area due to the weight of the product and the cost of shipping, they have a stable demand from local industries. This is a good niche market.
b. Some plastic manufacturers have found a shortage in raw materials and have used innovative ways like recycling centers to gain the raw materials needed to produce their products. Along with this, the have gained a competitive advantage and are growing.
c. There is a new initiative with Ivy Tech in 2006 to train supervisors and other technical skills in the area.
d. There is a cost involved with hiring immigrant workers because they have to validate the SSN. This is difficult because the money used for this could be used to hire more. It also slows down the hiring process. Also immigrant workers are not counted in the demographics and could actually increase productivity.

2. Given what you know about your industry and community, what would you anticipate as new job growth and new job loss from now until 2012?

a. Growth in the technical skills for automation
b. Voice automation
c. Computer technical/tech savvy/ training on computers
d. Quality techs- should remain the same.
e. Growth in distribution networks
f. Short term growth with wiring
g. Plastics expects growth and innovation
h. Most depend on whom they are supplying to for projected growth
i. Growth in dual language skills needed

3. The capability of your current workforce? (EX: Skill Sets and Knowledge relevant to work) and expected demands of your workforce will be in the future.

A. There was a high turnover rate in the plastics industry, but immigration has decrease turnover. This may force current workforce to gain skills that will stop the "revolving door." (work ethics)
B. This will also make workers gain skills in discipline, time management and willingness to work.
C. Reading, writing and arithmetic
D. Ethical decision making skills
E. Need to gain a broader view about production (quality/quantity)
F. Need for innovation

G. Need for technical workers to work on robots, maintenance, supervisors, set up crews. Tools shops tend to do this by “growing their own.” Perhaps this technique should be adopted in other industries.
H. There needs to be more educated workforce for technical and administrative alignment. IVY Tech is being used for this.
I. Production/ Quality training will be used to increase production
J. Need for Trainee translators

Region 9

Ohio/Dearborn County Focus Group

1. Difference in the key industries in your county.
These counties are affected by the Cincinnati effect: Those that don't have the skills necessary to fill the jobs in the county can go to Cincinnati and get jobs. The skilled jobs that can't get people to come in from the county can entice people from Cincinnati to come there. RN's and LPN's are not shortages for this county because they "grow their own" starting with high school with go to college scholarships and continued education support for those already working.
These counties rely heavily upon the tourism circuit.

2. Given what you know about your industry and community, what would you anticipate as new job growth and new job loss from now until 2012?

Growth will be in:

- Entertainment-casinos
- Artistry
- Healthcare-service
- Support personnel for hospital
- Retail, business services, professional services
- Landscaping
- Residential construction
- Educational

Loss will be in:

- Farming
- Manufacturing
- Logistics

3. The capability of your current workforce? (EX: Skill Sets and Knowledge relevant to work) and expected demands of your workforce will be in the future

Future:

- Highly skilled or experienced
- QUALIFIED is important
- As automation gets more advanced, technical level will need to be higher. They will need to be able to trouble shoot control system.
- Higher skill sets
- Supervision- 3-5 years of experience from work and college degree
- Social Skills needed
- Workforce needs to understand expectations
- Need to have work ethics

Current Workforce Capability:

- Skills required growing too fast some workers can't keep up with advances
- Group for the most part just simply lags
- Churn workforce not big problem
- Casinos see churn workforce.
- Immigrant workforce not a big impact

Changes for Demand on the Workforce

- More flexible
- Tech savvy
- Responsibility
- Entrepreneurial Continuous improvement
- Trouble shooting skills
- Have desire
- Computer skills

How employers evaluate basic skills

- Reading, writing, arithmetic
- WORK Keys (takes out subjectivity)
- Standardized testing

Other things affecting the areas

- Power plants are major but numbers are not captured because they are in Kentucky and are not counted.
- Smaller companies struggling with healthcare
- There higher the skills needed means having to find people from further out of the county, region and state.

INDUSTRY SECTORS AND CATEGORIES

Note: In order of employment in Region 9

Industry Sector	Categories
Manufacturing	Food, beverage and tobacco products, apparel, leather, wood, paper, printing, chemical, machinery, fabricated metals, primary metal, transportation equipment, plastics, furniture
Health Care and Socials Services	Ambulatory services, hospitals, nursing and residential care, social assistance
Retail Trade	Vehicles/parts service, furniture, food, gasoline stations, clothing, merchandise, health, personal care, sporting goods
Education Services	Schools
Accommodating/Food Services	Restaurants
Transportation & Warehousing	Trucking, grain elevators, bus lines, airports, warehouses, delivery services, movers, railroads, post offices
Administrative Support & Waste Management & Remediation Services	Landscape, pest control, tree services, travel agencies, employment agencies, business services
Construction	Construction of buildings, heavy and civil constructions, specialty trade contractors
Public Administration	Government, justice, public order, safety, administration of programs, national security
Arts, Entertainment, and Recreations	Performing arts, gambling, museums, parks, recreation, zoos
Finance and Insurance	Central banks, commodities, investment, insurance
Other Services	Repair and maintenance, membership organizations, private household, personal and laundry services
Management of Companies and Enterprises	Holding companies, banks
Wholesale Trade	Merchant wholesale, electronic markets
Professional, Scientific, and Technical Services	Accountants, computer systems, attorneys, interior decorators, business services
Information	Publishing, motion picture, broadcasting
Utilities	Utilities
Agriculture, Forestry, Fishing , and Hunting	Crop production, animal production, agriculture, forestry, fishing, and hunting
Real Estate and Rental & Leasing	Real estate, leasing services
Mining	Oil, gas extraction

SUB- INDUSTRY SECTORS AND CATEGORIES

Sub-Industry Sector	Categories
Transportation Equipment Manufacturing	Automobile Parts and Supplies
Ambulatory Health Services	Physicians, Surgeons, Clinics, Chiropractors, Dentists, Optometrists, Psychologists
Warehousing and Storage	Grain elevators, Self-storage
Truck Transportation	Motor freight, Movers, Hauling
Primary Metal Manufacturing	Foundries, Tubing, Wire products, Castings, Powder metal
Miscellaneous Manufacturing	Caskets, Assembly, Fabrication, Laboratories, Hospital Equipment
Machinery Manufacturing	Material handling equipment, Tool and Die Makers, Materials Handling Equipment, and Engines
Paper Manufacturing	Paper boxes, Packaging Material
Furniture Manufacturing	Cabinets, Household, Counter tops

Focus Group Questions

4. In the context of your county, do the findings about the key industries in region 9 apply? If not, please state why there is a difference in the key industries in your county.

5. Given what you know about your industry and community, what would you anticipate as new job growth from now until 2012?

6. Given what you know about your industry and community, what would you anticipate as new job loss from now until 2012?

7. What is the capability of your current workforce? (EX: Skill Sets and Knowledge relevant to work)

8. Given the projected summary of demographics, what do you expect the demands of your workforce will be in the future?

Focus Group Sign-in (by County)

Sign-in by Counties	
Jennings County (12)	
Name	Company
Andrejs Kreger	2MI
Mark Walters	NVIC
Michelle White	NVIC
Lisa Barton	HILEX
Frances Kiefer	HILEX
Gail Stamm	ERLER
R. Chaille	CPX
Wanda Heath	IEDC
Allen Cox	LOWES
Summer Magner	Decatur Plastics
Darla Hall	Decatur Plastics
Beck Gillenwater	Decatur Plastics
Bartholomew County(16)	
Name	Company
William Boyer	BOYER MACHINE AND TOOL
Gary Berquist	HOLIDAY INN
Steven Gochennour	HOME FEDERAL BANK
Marvin Johnson	TOYOTA INDUSTRIAL
Carl Lienhoop	BARTHOLOMEW COUNTY GOV.
David Glass	LhP SOFTWARE
Rosalie Hine	IVY TECH
Nancy Wilson	CENTER FOR TEACH AND LEARNING
John Burnett	COMMUNITY EDUCATION COALITION
Bob Neth	PURDUE COLLEGE OF TECHNOLOGY
Jeanie Scofield	ARM INFO TECHNOLOGY
Ronald Sewell	SILLO INSURANCE SERVICES
Christina Newby	ROCK-TENN
Rick Hollin	ROCK-TENN
Jennifer Russell	IVY TECH
David Barker	SIHO
Sign-in by Counties	
Jefferson (25)	
Name	Company
Mike Bruce	MEESE
Debbie Temple	KING'S DAUGHTER'S HOSPITAL
Stacy Perkin	KEY MANUFACTURING
Tommy Kissinger	CENTURY TO BE
Ken Degler	MPP
Ray Wilson	IKEC
Lisa Varble	ARMOR METAL
Ronnie Ahans	ARMOR METAL
Jim Bronchick	GROTE

Tricia McAlpihe	MPP
Craig Bond	J&J ENTERPRISES
Chuck Sage	ROTARY LIFT
Tammy Schmidt	GROTE
Dan Baughman	ASI
David Sutherland	MPP
Don Heidermen	IVY TECH
Rick Bockhorst	BELTERRA
Kathy Ayers	MAGE CONTROL
Jon Bond	SWITZERLAND COUNTY EDC
Al Huntington	CITY OF MADISON
Betsy Vonderheide	CITY OF MADISON
Bill Hart	IKEC
J. Konkle	ARVIN SANGO
Scott Hubbard	ARVIN SANGO
Tom Conroy	SPIRAL FAB
Sign-in by Counties	
Jackson(23)	
Name	Company
Bill Rinehart	DICKSONS INC
Tom Earnhart	IVY TECH
Jim Hemmelgarn	ATTERBURY JOB CORPS
Jim McCormick	SEYMOUR HS
David Beatty	CUMMINS
Bill Baily	SEYMOUR CHAMBER
Bonnie Charlton	HOME PRODUCTS
Jerome Mincy	JLM PHARMATECH
Baron Bullard	JLM PHARMATECH
Rebecca Robertson	RR DONNELLEY
Heather Buhr	VALOE SULLIVAN
Bob Sexton	SEYMOUR HS
John Hogan	IVY TECH
Carolyn Pitt	IVY TECH
Bob Schmielaur	SEYMOUR COMMUNITY SCHOOLS
Sharon Bradford	KOBELCO
Pat Caudill	IVY TECH
Jenny Hollinger	AISIN USA
Pennie Stancombe	HOME FEDERAL BANK
Jim Plump	JCIDC
Richard Davis	THE TRIBUNE
Gary Meyer	SCHNECK MEDICAL
Vicki Johnson	SCHNECK MEDICAL
Kathy Covert	SCHNECK MEDICAL
Sign-in by Counties	
Decator(13)	
Name	Company
Tom Hunter	GREENSBURG COMMUNITY SCHOOLS
Paul Brandon	RICCA CHEMICALS

Pat Van Selon	
Tate Shepard	MMCH
John Dickey	HILLENDRAND INDUSTRIES
Laura Welborn	BATESVILLE HERALD TRIBUNE
Brent	BATESVILLE TOOL AND DIE
Tim Coleman	BATESVILLE TOOL AND DIE
Steve Schneidar	BEST METAL FINISHING
Duke Hamm	BEST METAL FINISHING
Terri-Ann Blanton	RIVER VALLEY RESOURCES
Teri Cutter	DEVELOPMENTAL SERVICES
Beth Blasdel	BLASDEL ENTERPRISES
Dearborn(12)	
Name	Company
Mike Northcutt	City of Rising Sun
Ron Timms	The Crestmont Company
Rick Brock	Period Riccard USA
Marie Dausch	Dearborn Chamber
Mike Rozow	New Horizons
Endrea Sizemore	Grand Victoria
Jim West	DCEDI
Rick Webber	Batesville Products
Beverly Henry	SIEOC
Pat Sutton	Dearborn County Hospital
Randy Johann	IVY TECH
Mary Carrell	DEARBORN COUNTY CHAMBER

Board Meeting	
Jim Bronchick	Grote International
John Burnett	COMMUNITY EDUCATION COALITION
Kathy Ertel	JENNINGS COUNTY ECONOMIC DEVELOPMENT
Richard Rampley	Workforce Development
Don Heiderman	IvyTech
Beth Blasdel	BLASDEL ENTERPRISES
Jackie Hill	Jackson Co. development Corp.
Carol Monroe	Franklin County
Jenny Hollinger	AISIN USA
Jean Voyles	WorkOne

APPENDIX C

Work Keys Result