Strategic Skills Initiative (SSI)

Wednesday, June 15
Regional Agent Roll-out Meeting
Presentation Flow

- Goals & Objectives of Initiative
  - I.D. Skill Shortages in High-Wage/High-Demand Industries
  - Build Capacity at Regional Level

- SSI Team

- Phases of Initiative
  - Pre-Research & ID Phase
  - Research & ID Phase
  - Solutions Implementation Phase

- Funding Flow

- Timeline
Goals & Objectives

**Primary**

**Goal:** Identify specific skill shortages, root causes, and solutions that exist in the workforce planning regions throughout the state

**Objective:**
- Quantify the shortages, both in near term (2 yrs.) and long-term (10 yrs.)
- Specify the root cause for the shortage
- Clearly define executable solutions that are tied directly to root cause

"Line of Sight"

1. ID & Quantify Skill Gap
2. Root Cause (e.g. moving for higher $’s/ better opps.)
3. Clearly defined, executable solutions
Goals & Objectives

**Secondary**

**Goal:** Fundamentally shift the way regions approach workforce & economic development

**Objective:**
- Instill demand-driven approach to addressing skill gaps
- Create interdependency among constituents at regional level
- Transfer knowledge of process and methodology to regional advisory boards/consortia

*Supply (training/solutions) Driven* ➔ *Demand (Root Cause) Driven*
SSI Pre-Research & I.D. Team

R. Stiver
B. Huntington
B. Miller
A. Penca
S. Steele (Special Advisor)

C. Rogers
J. Conover

D. Judy
J. Lommel
B. Hartz
Phases of Initiative

**Pre-Rsrch & ID Phase: Preparing Tools & Guidelines for Initiative**

Key Components: (Re) Defining Regions
- Identifying Staffing Needs
- Identifying Agents (Core & Fiscal)
- Methodological Development
- Construction of RFA Document
- Outlining Rollout Forum & Workshop(s)

**Research & ID Phase: Consortia compile & submit key reports**

- Skill Shortages Report: Where and how large are they?
- Root Causes Report: Why do shortages *REALLY* exist?
- Solutions Report: How are root causes addressed?

**Other Key Aspects:**
- $3mm available for execution of research/analysis
- Reports are reviewed & graded

**Solutions Impl.: Competitive Grants Awarded for Solutions Execution**

Key Components: $20mm available for execution of solutions phase
- Report/proposal condensing and sharpening findings in Rsrch & ID Phase
Pre-Research & ID Phase

(Re)Definition of Planning Regions

- The new alignment will have 11 Regions
- Boundaries were determined by:
  - Labor markets - commuting patterns
  - Economic cluster data
  - Educational attainment data
  - Job projection data
  - Net Migration by Region (2000-2040)
  - Presence of MSA’s
  - Existing WorkOne infrastructure
  - Existing Higher Ed infrastructure
- Will have alignment with IEDC
Pre-Research & ID Phase

**Methodological Planning & Data Packets:** This will be the most critical and useful tool for the consortia during Phase I. Their output will only be as good as the information DWD provides.

- **Resource Data & Info.**
- **Labor Market Information**
- **Consolidate & Package**
- **Analytical Methodologies**
- **Vacancy Surveys**
- **Industry Focus Groups**

**Regional Consortia**

**Online access available at:**
http://www.in.gov/dwd/ssi
Pre-Research and ID Phase

**Job Vacancy Surveys: Identify Base Year Shortage**

**Vacancy Survey Role**

\[ S_{jt} = S_{jt-1} + G_t \]

- **Shortage in occupation** \( j \) in industry \( i \) for year \( t \)
- **Gap for occupation** \( j \) in industry \( i \) for year \( t \)

**A solid base year estimate of the shortages is critical for projecting future years.**

**How Does This Work?**

- **DWD/Vendor**
- **Business**

**Identify # of current occupational shortages**

**11 Regions**

**Analyze & Match w/KSA’s (O*NET)**

**Estimate Short & Long-Term Skills Gaps**

- **Occ Supply**
- **Occ Demand**

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<th>Year</th>
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<th>Occ Demand</th>
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<td>2035</td>
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Pre-Research and ID Phase

• Assembling Consortia
  - Represent a truly regional effort
  - Include: LEDO, Chamber, industry, education, labor, and service provider representatives
  - Consortia will be involved in all aspects of SSI
  - Consortia will sign off on all grant requests
Research & ID Phase

Regional Consortia

Utilize & Conduct

$3mm (quasi-competitive)

Secondary Research

Vacancy Surveys

Industry Focus Groups

Primary Research

Compile & Submit

Skill Shortages Report

Root Cause Report

Solutions Report
Research and ID Phase

• Skills Shortage Report
  – “Where and how large are they?”
  – Research builds base for subsequent reports (Utilize SSI How-To-Handbook and Data Packet)

• Root Causes Report
  – “Why do shortages really exist?”
  – Supply or demand side causes
Research and ID Phase

• Regional Solutions Report
  - “How are root causes addressed?”
  - Links Skill Shortages Report and Root Causes Report
  - Clear “Line-of-Sight”
  - Primary document to determine funding
  - Detailed Action Plan
  - Demonstrate sustainability of solutions

Critical Theme
Research and ID Phase

Step 1:
Core Agent Meetings
- June 15, ‘05

Step 2:
Submit RFA to IDWD
- Aug. 5, ‘05

Step 3:
Funding awarded to regions
- Aug. 31, ‘05

Step 4:
Report Submittals
- Oct. 21, ’05
- Dec. 16, ’05
- Feb. 21, ‘06

Step 5:
Reports Reviewed
- Oct. 31, ’05
- Dec. 30, ’05
- Mar. 14, ‘06

Begin Solutions & Implementation
- March 17, 2006
Solutions Implementation Awards

Skill Shortages Report
Root Cause Report
Solutions Report

Condense & Submit

Each training proposal must contain specific matrices & templates that demonstrate training is tied directly to root cause (which, in turn, will address shortage)

DWD Review Committee
Competitively Award $20mm (example)

Region 8
Region 5
Region 1

$1.5mm
$800K
$300K
SSI Funding Flow

Amount of federal and private funding leveraged by consortia will have strong determination in competitive monies awarded.
Timeline

Rollout & Introduction of Initiative:

June ‘06: Introduction

- Gov. Office Announce
- Meet w/ Core Agents
- RFA “fit to print”
  - Key Needs:
    - Funding Sources & $’s final
    - Core Agents
    - Fiscal Agent
    - WIA 2-yr. Plan complete
- Data Packets
  - Revising Occupational Projections & JVS completion

J un-Aug: Formation

- Core Agents charged with assembling consortia
- Consortia must complete and submit RFA
- Approval of RFA by internal DWD review committee

Sep ‘05-Feb ‘06: Execution (PH 1)

- Consortia begin phase one analysis
- Submit reports, roughly, every 6 weeks

Mar ‘06 - Apr ‘08: Execution (PH 2)

- Competitive grants awarded and solution development & execution begins.
Critical Success Factors

• Leadership from ALL WIB Directors

• Heavy participation & engagement from KEY regional stakeholders throughout initiative

• Institutionalize process at regional level
  – Minimum dependency on consultants

• Consistent and Share “Line-of-Sight” mentality
  – Demand Driven

• Positive attitude, humility, and ability to innovate
The End