



“Effective Use of Skills Panels in Developing Demand Driven Services”

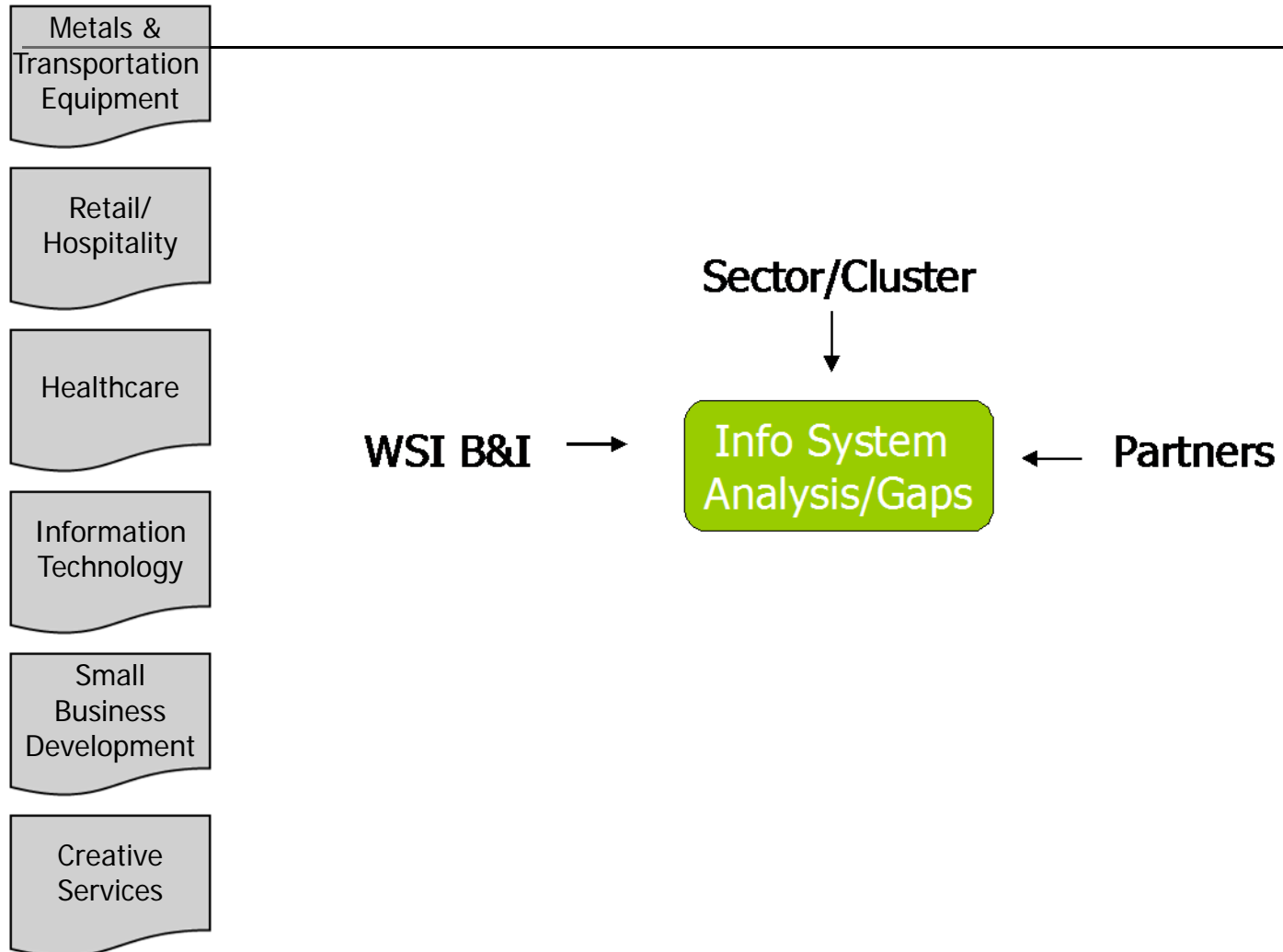
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Developing Demand-Driven Services

Business and Industry Services – Phase I

- Develop a Business and Industry Services unit within your organization to move towards a “demand” driven system
- Hire a Business and Industry Services staff member or promote a staff member who has private sector work experience in HR, sales, or training.
- Reassign staff with a sector or industry background to the unit
- Begin the process of aligning Education and Training resources to meet industry needs (by sector or industry cluster)
- Learn to listen to industry then propose solutions rather than taking a pre-packaged solutions approach
- Begin working toward building the image of key sectors /industries to enhance their recruitment and retention efforts

Business & Industry Services at Worksystems, Inc.



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Process

- **Input/Info from Sector/Cluster**
- **Input/Info from Partners**
- **Analysis of Data**
- **Gap Analysis**
- **Identify Solutions**
- **Recommend Products/Services as part of solution**
- **Deliver needed solution**
- **Evaluate effort (using business measures)**
 - **Return On Investment**
 - **Productivity improvements**
 - **Retention**
 - **Improved bottom-line**
 - **Other**

Typical solutions address:

- **Quality improvement**
- **Increased bottom line**
- **Increased productivity**
- **Increased pool of quality applicants**



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- In Phase II the organization will need to strongly involve business leaders in key sectors in the identification of current and future needs of their company, industry, the sector and sub sectors including supply and distribution chains.
- Advisory councils work, but one of the most successful models is the Washington State WIB Skills Panels model that has been established with key sectors throughout the state on a regional basis.

Advisory Committees versus Skill Panels

○ **Advisory Committees**

- Industry or sector specific
- Address industry or sector needs
- Membership is typically employers from the industry or sector
- Limited involvement in industry data collection, gap analysis and new program design
- Maybe involved in curricula review

○ **Skill Panels**

- Involves industry representatives, talent development providers, economic development, local elected officials, the public workforce system and possibly organized labor
- Rely heavily on the collection of “forward data” from the industry to determine needs
- Performs gap analysis of needs versus supply pipeline
- Actively involved in plotting regional strategies to meet industry needs that include all partners.
- Produce products

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- Skill Panels are typically centered around sectors or industries.
- NAWB and the National Network of Sector Partners define sector initiatives based on:
 1. Focusing attention on the needs of multiple employers in a specific industry or sector (in a specific community or region)
 2. Serves dual customers
 3. Building in-depth knowledge of the industry and designing multiple solutions to address the industry or sectors needs
 4. Promoting community change that achieves win-win solutions for employers and workers in the industry



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- Sector initiatives are not one or two-year targeted initiatives that build an advisory committee of employers, meet quarterly to review curriculum or interview students and possibly conduct a job fair.
- Sector initiatives especially those using skill panels are long-term, using multiple strategies that require a substantial investment of employer time and that of other key partners.
- The strategic value and success of skill panel based sector initiatives increase as work matures.

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- Types of industry challenges:
 - Difficulty recruiting or retaining entry-level employees
 - Extremely high turnover among key positions
 - A lack of workers with the flexibility and/or support to work the shifts that current business demands
 - Employees without sufficient technical skills to adequately do the job
 - A large gap between the skills of job applicants and those required for critical positions lacking trained workers
 - A large number of immigrant or other workers in entry positions who are limited English proficient or have limited literacy skills
 - Key employees critical to business success who are reaching retirement age without a skilled workforce following behind them
 - Closure of high school or vocational programs that provide entry level workers for the sector

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- Types of industry challenges - continued:
 - Major changes in technology affecting the business for which employees lack the needed technical skills to make the shift
 - A lack of flexible skills among current employees to accommodate product changes required to remain competitive
 - The need for workers without the transportation to move between multiple sites where work is now taking place in the sector
 - A lack of human resources capacity among small-to medium-sized employers that makes recruiting and advancing workers difficult
 - A lack of training slots or a shortage of qualified instructors at local education and training institutions causing a “Bottleneck” for workers trying to advance.

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Designing new programs and services using Skills Panels

- Several Washington State workforce boards piloted the concept of “Skills Panels” to address sector and industry needs.
- The panels are comprised of representatives from the industry/sector, local community/technical colleges, economic development, and are staffed by local Board or One-Stop staff.
- The panels are charged with providing in-depth information regarding their industry/sector, employment trends, future trends and technological advancements that impact the industry.
- Panels meet on an on-going basis (usually quarterly in the first year) until such time as they have accomplished their primary goals and objectives, then they meet periodically.

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- Information from the Skills Panel is used to develop new programs and services to address the defined needs of the sector/industry.
 - By participating in the process some organizations may become presumptive provider of the new demand-driven education and training services (this is especially true for community colleges), or they may decide that a collaborative approach between many talent development providers is the best strategy.
 - Through the Skill Panel participating talent development organizations are often identified by the employers as key players in addressing the on-going needs of their existing workforce and a primary resource for future workers that are trained to meet their needs.

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- Tracking outcomes
 - Reduced recruitment costs
 - Lower training costs
 - Reduced turnover
 - Lower production and/or waste costs
 - Greater promotion-potential of entry employees
 - Higher quality customer service
 - Increased earnings
 - Increased work hours
 - Greater access to employee benefits (health care, annual leave)
 - Improved job retention