

Workforce Paradox

Special Committee on Improving
Educational Opportunities in High School

July 16, 2012

*Jim Morgan, President
WMC Foundation*

Workforce Paradox: **How can this be?**

- 7% unemployment, **YET** manufacturers can't find employees
- A trillion dollars in student loan debt, **YET** so many unemployable
- Negative attitude toward manufacturing, **YET** it drives our economy
- A great need to communicate, **YET** educators have never been in manufacturing plants, and manufacturers have never reached out to schools



Workforce Paradox

“All the Walker photo ops are in factories and it’s like he doesn’t get that manufacturing is the industry of the past. We need to be thinking about the future, about alternative energy, innovation and entrepreneurship.”

Madisonian quoted in Capital Times, October 5, 2011

Workforce Paradox: Wisconsin

- Antigo
- Appleton
- Beaver Dam
- Beloit
- Black River Falls
- Brookfield
- Brown Deer
- Chippewa Falls
- Clintonville
- De Forest
- Dodgeville
- East Troy
- Eau Claire
- Fond du Lac
- Fort Atkinson
- Germantown
- Grafton
- Green Bay
- Hartford
- Hartland
- Janesville
- Kaukauna
- Kenosha
- La Crosse
- Manitowoc
- Marshfield
- Menomonee Falls
- Menomonie
- Middleton
- Milton
- Milwaukee
- Monroe
- Mukwonago
- Muskego
- Neillsville
- Oak Creek
- Oconomowoc
- Oregon
- Oshkosh
- Pewaukee
- Platteville
- Portage
- Prairie du Chien
- Pulaski
- Racine
- Reedsburg
- River Falls
- Sheboygan
- Stevens Point
- Superior
- Tomah
- Tomahawk
- Watertown
- Waukesha
- Waupaca
- Wausau
- Wauwatosa
- W. Allis/W. Milw.
- West Bend
- WI Rapids

Workforce Paradox: **Wisconsin**

Several consistent themes . . .

- Pockets of excellence
- Some unique circumstances
- Business is picking up
- Workforce is aging
- There's a pipeline problem
- Things are not getting easier and simpler, they are getting harder and more complex
- **THE PARADOX IS REAL!**

Workforce Paradox: **Wisconsin**

And many are working on it . . .

- 7 Regional Economic Development Organizations
- 11 Workforce Investment Boards
- 12 Cooperative Educational Services Agencies
- 16 Technical College Districts
- 426 School Districts

From the Mouths of Manufacturers

"90% of life is just showing up."

Woody Allen

"90% of life is **NOT** just showing up!"

Wisconsin Manufacturers

**There are serious concerns about both
the abilities of those looking for work
and their willingness to work.**

Maintaining Wisconsin's Reputation

- Work ethic questioned (YOTF measure)
- Social skills are a problem
- We are now *celebrating* attendance
- The workforce is the current “pacing item” for WI manufacturers
- Is 7% the new 4%

“We need a **job probability** rating.”
Sheboygan Manufacturer

We do students a disservice by not providing accurate data on the job market, current wages, and the skills that are in demand.

Guiding Students to **Success**

- Labor data is not communicated
- Misinformation is rampant
- The definition of “success” needs to change
 - *“The people running my machines make more than the people in my front office.”*
 - *“I’m not putting a high school dropout on a \$1.5 million machine.”*

“There is a complete breakdown in
the traditional methods of
recruiting employees.”

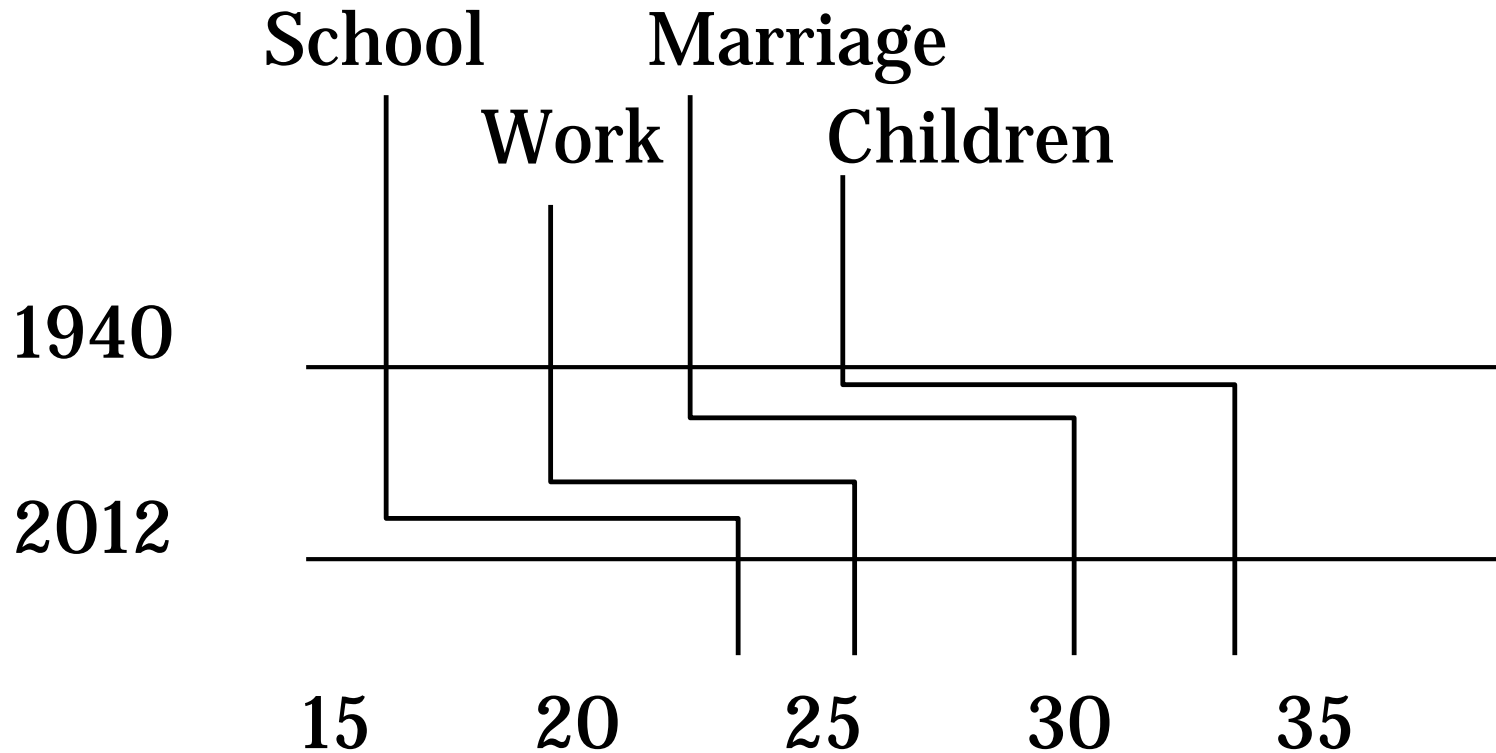
Superior Manufacturer

The current marketplace favors potential
employees, and they are impetuous. Meeting
this generation's needs is a challenge.

Creatively **Filling the Gap**

- Sniping from other employers
- Stealing from suppliers
- Calling on family and friends
- Bonuses for finding people
- Generic ads are a waste
- Hire for attitude, train for knowledge
- The rules have changed

The Changing Timeline



“Death by 1,000 **cuts.**”

There are simply too many obstacles in the way of getting people to work.

Overcoming Impediments

- “The safety net”
- Social issues
- Lack of mobility
- Different attitude toward work
- Aging workforce/population
- Pay expectations
- Location
- Substance abuse issues

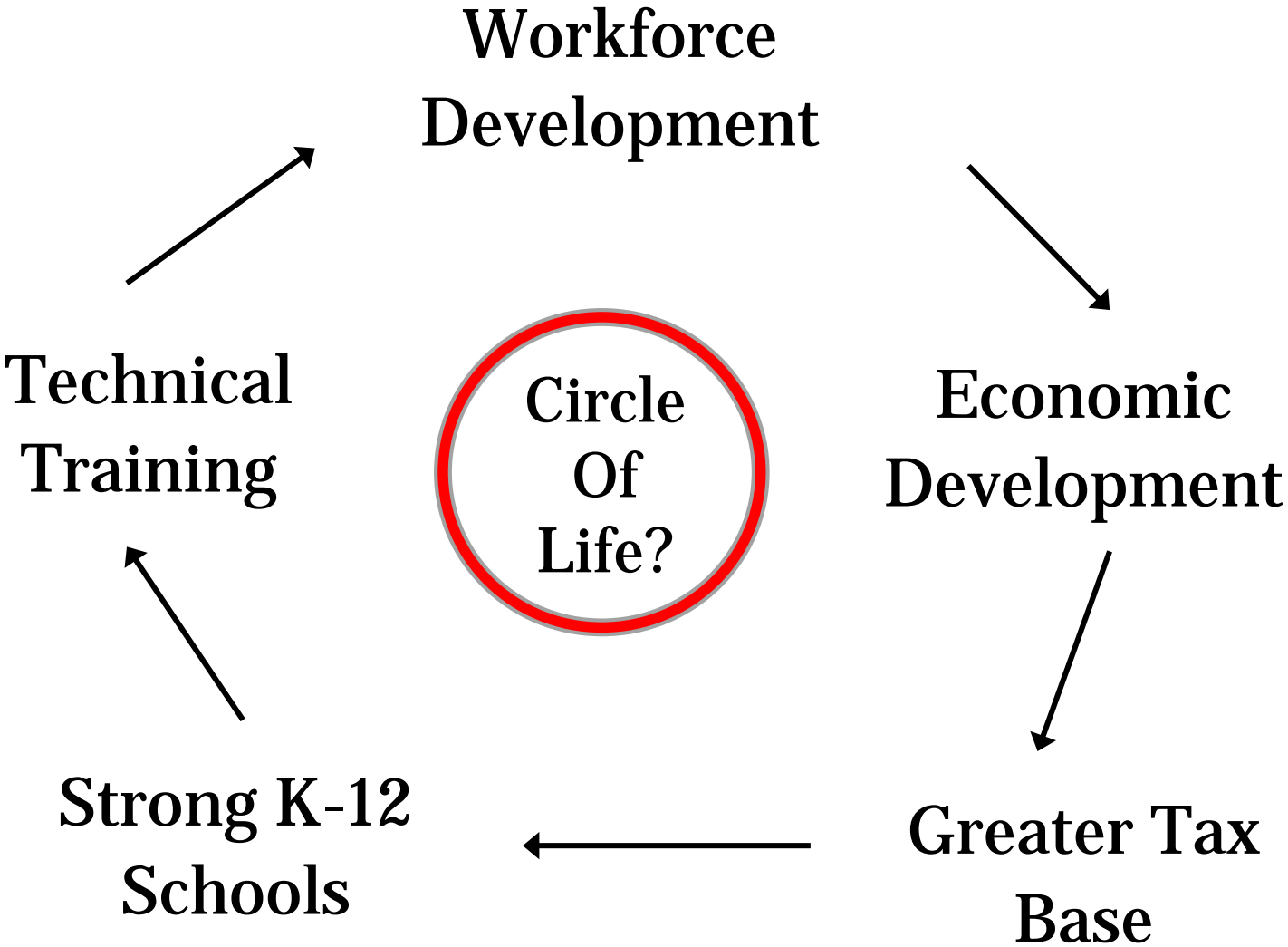
“My kids are at (name removed) High School, and I guarantee you there is no talk of **technical college**.”

Waukesha Manufacturer

Our society and educational system values apples, and our manufacturers value oranges.

The Right Preparation

- Technical skill opportunities are disappearing from high school
- The mismatch between preparation and careers is wide – only 30% of WI's jobs require a bachelor's degree or more
- There is more than one path to CEO
- 2011 HEADLINE – *China to Eliminate Degrees with Low Employment Rates*



“We have met the **enemy**
and he is us.”

The great comic strip philosopher Pogo

**Wisconsin manufacturers admit their
involvement in education has been spotty at
best, and non-existent at worst.**

Redefining Manufacturing's Image

- Too many manufacturers are not engaged, especially K-12
- We're not telling the manufacturing story
- We need to take responsibility for the image
- People need to see what we do
 - *“Our facility looks more like a lab than a factory.”*

“WMC has to **DO** something.”

WMC Manufacturing Members

While there are many local initiatives, and solutions will come community by community, there is need for a statewide strategy.

Thank you Sponsors



JOHN DEERE





*To ensure a
consistent
and
qualified
workforce
for a strong
economy and
high quality
of life.*



WMC's Workforce

MISSION

WMC
FOUNDATION

WMC's Workforce VISION



*Ensure every 16-year-old has an **open mind** to the career choices available to him/her and understands the economic, employment, and personal growth opportunities their choice offers.*

WMC's Workforce Vision

*Manufacturers have to **tell** it*

*Parents have to **allow** it*

*Educators have to **know** it*

*Students have to **choose** it*

Data Collection “Solutions” Conference



- March 15 – 275 attendees
- WEDC, DWD, DPI, WTCS leadership
- Best Practices
- WMC Foundation Research
- Now - Summary Presentations

WORKING WISCONSIN

Areas of Emphasis

Best Practices

Public Awareness

Community Assistance

Strategic Partnerships

Provide *best practices* to jumpstart local initiatives



Wisconsin's communities have proven time and time again they can “get the job done.”

The WMC Foundation will provide roadmaps to ensure that happens.

Best Practices

- Collect and publicize program best practices from Wisconsin schools and businesses for communities to use as blueprints
- Identify 8-12 exemplary business-education partnerships to showcase in working with startup programs

Improve statewide *awareness* of manufacturing and its careers



There are stereotypes and misperceptions to overcome. The WMC Foundation will provide statewide assistance in changing mindsets.

Public Awareness



- Provide information on the value, impact and demand for manufacturing
- Launch “October is Manufacturing” to highlight industry’s importance to Wisconsin’s economy

Public Awareness

- Work with manufacturers to conduct facility tours
- Make presentations and provide online information to schools, colleges, clubs, and organizations about manufacturing (videos, materials)

Offer *community assistance* to local and regional business- education partnerships



Wisconsin will address the workforce skills shortage community by community. The WMC Foundation will be a resource for these efforts.

Community Assistance

- Collect and disseminate data on manufacturing jobs – e.g. salaries, education requirements, definitions
- Provide consulting and planning services for development of community partnerships

Community Assistance



- Provide toolkits for schools, local chambers, and businesses with information on manufacturing and how to develop effective partnerships

Coordinate with *strategic partners* to ensure success



To be successful, this must be a group effort. The WMC Foundation will work in partnership with key organizations to broaden our reach.

Strategic Partners



- Identify and utilize business and education associations engaged in related workforce initiatives
- Share resources and information to reduce duplication and increase influence

Workforce Paradox: One year from now

- **5% unemployment; manufacturers finding employees**
- **Less student loan debt; more employable skills**
- **Positive attitude toward manufacturing, and recognition of how it drives our economy**
- **Better communication; educators in manufacturing plants/manufacturers in schools**

CONTACT



Jim Morgan

President, WMC Foundation

(608) 258-3401 x3053 | jmorgan@wmc.org

Twitter @jimmorgan1960

www.wmc-foundation.org