BE BOLD 2

- Where and How We Work Is Changing
- Wisconsin Needs to Change
- The BE BOLD 2 Strategies
- The BE BOLD 2 Recommendations

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Where and How We Work Is Changing

- There Are Not Enough Workers in the U.S.
- There Are Not Enough Workers in Wisconsin
- There is a Talent Mismatch in Wisconsin
- People Are Making Different Choices
- Technology is Changing How and When We Work
- Customers Are More Sophisticated

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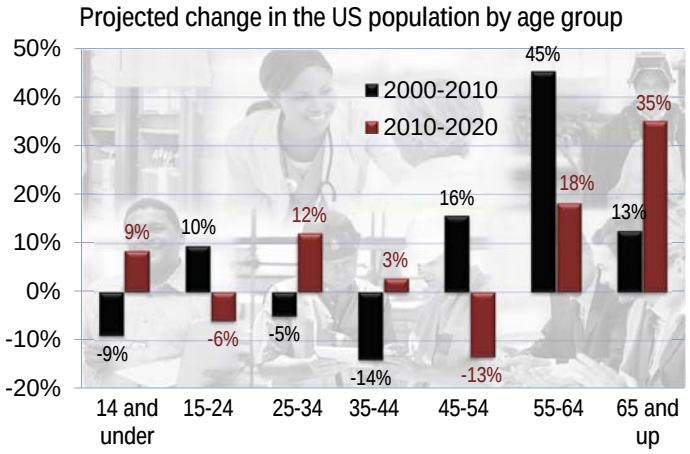
What's Changed

There Are Not Enough Workers in the U.S.

The Demographic Shift



- Employees old enough to retire now outnumber teen workers for the first time in 60 years
- In the US 10,000 workers reach age 65 daily
- By 2020, more than 36% of the country's population will be older than 65

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What's Changed

There Are Not Enough Workers in Wisconsin

The Demographic Shift

AGE 0-17
FROM 23% in 2010 **TO 21%** in 2040

AGE 18-64
FROM 63% in 2010 **TO 55%** in 2040

AGE 65 & OVER
FROM 14% in 2010 **TO 24%** in 2040

More than 36,000 of the state's 77,500 registered nurses are planning to retire over the next nine years, according to DWD estimates.

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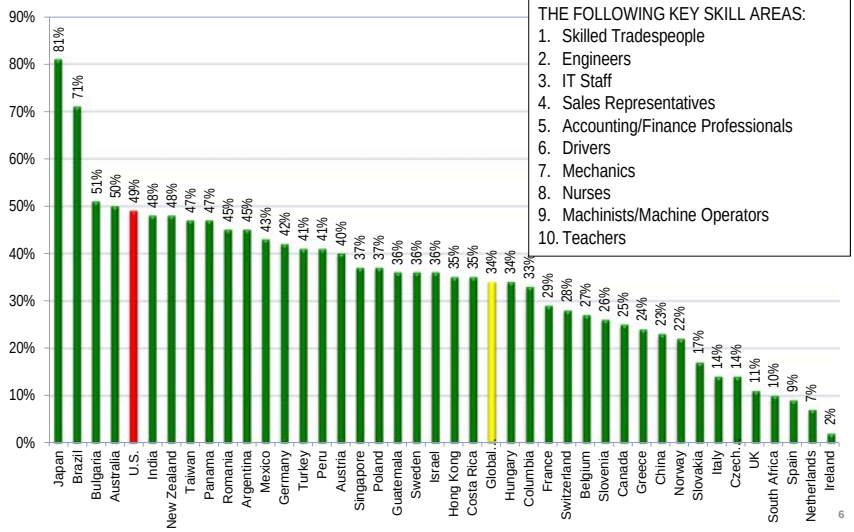
What's Changed

There Is A Global Talent Shortage



THE U.S. IS FACING SHORTFALLS IN THE FOLLOWING KEY SKILL AREAS:

1. Skilled Tradespeople
2. Engineers
3. IT Staff
4. Sales Representatives
5. Accounting/Finance Professionals
6. Drivers
7. Mechanics
8. Nurses
9. Machinists/Machine Operators
10. Teachers

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What's Changed

There Is A Wisconsin Talent Shortage

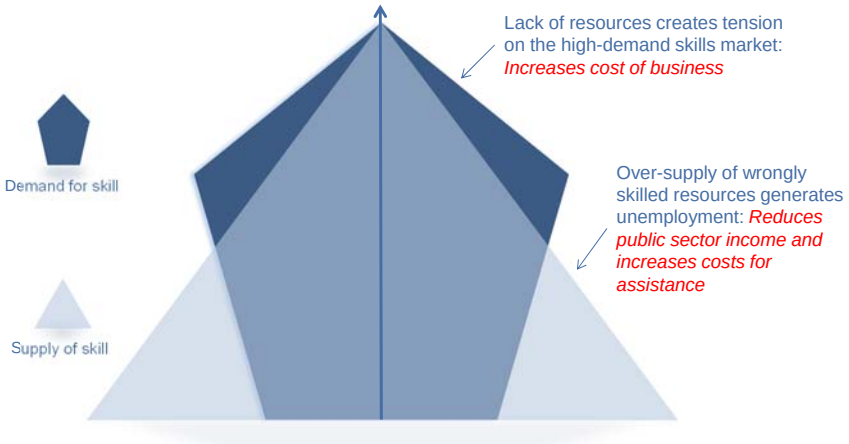
In Wisconsin:

- Only 17.5% of small companies and 31% of large companies report that they have world-class, innovation talent. 66% report that they lack the talent to drive global engagement into the next decade. (Source: *Next Generation Wisconsin Manufacturing*)
- Approximately 1 in 10 jobs for key economic sectors go unfilled today in the following skills clusters :
  - Accounting & Fin. Analysis: 9%
  - Mechanical Engineering: 11%
  - Metal Manufacturing: 12%

  (Source: ManpowerGroup study)

What's Changed

There is a National Talent Mismatch



- Today there are 3.1 million open jobs in the U.S.
- By 2020 there will be 1.5 million too few college graduates to meet demand and there will be 5.9 million more Americans without high school diplomas than employers will need

(Source: McKinsey Global Institute US Jobs Report)

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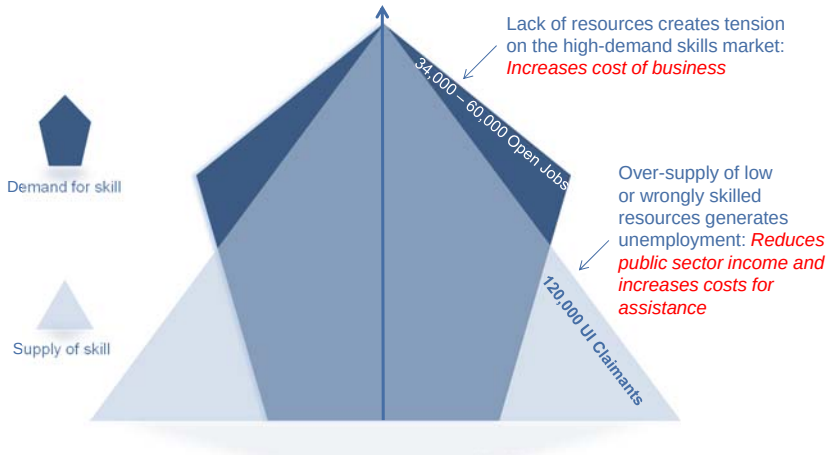
What's Changed

There is a Wisconsin Talent Mismatch



- Worknet job site consistently reports more than 30,000 job openings while approximately a quarter million Wisconsinites remain out of work.

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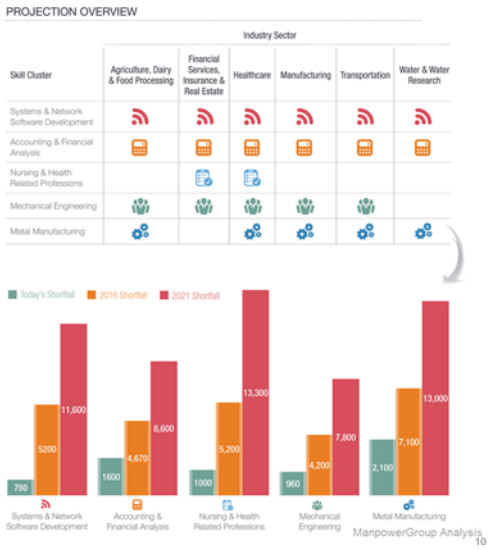
What's Changed

There is a Wisconsin Talent Mismatch

ManpowerGroup's forecast shows that Wisconsin will have a shortfall across all critical skills clusters in our 6 key industry sectors.



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What's Changed

People Are Making Different Choices

To Work Differently

- The U.S. Department of Labor estimates that today's graduates will have 10-14 jobs by the time they reach age 38.
- In the current workforce, only 25% of employees have been in their present job more than a year; while 50% have been there less than 5 *(Source: US Department of Labor).*
- Babies born today can expect to work for 60 years *(Source: infoplease.com*).

Copyright 2012: ManpowerGroup graphic

Opt In…Or Opt Out

- A 2009 study by the American Society for Engineering Education found that just 21% of engineering students intended to pursue engineering-related jobs, while 25% were not going to and 54% were unsure.
- And to Leave…
- Wisconsin ranks 40th in state to state migration; in 2011, Wisconsin experienced a net loss of 8,100 people. *(Source: StatsIndiana)*

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What's Changed

People Are Making Different Choices

Why Will They Choose Wisconsin?

THE GOOD

CEO Magazine ranks Wisconsin in best states to do business – up 21 spots from 2 years ago.
Wisconsin ranks 17th in CNBC's Best States for Business – up 20 spots from 2009.
A 2011 Forbes survey ranked Wisconsin #8 in quality of life.
The Milwaukee Journal Sentinel recently reported that Wisconsin ranks fourth lowest nationally in taxes on new Corporations.

THE NOT SO GOOD

Madison, Milwaukee, and Green Bay ranked 89th, 91st, and 188th respectively in Forbes 2012 Best Places for Businesses and Careers.
Milwaukee is 5th worst among 50 major metros for projected growth (2012 Conference of Mayors)
Ranking of 29 on Ewing Marion Kaufman 2010 State New Economy Index – Minnesota ranked 13th; Illinois ranked 15th.

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What's Changed

Technology is Changing How and Where We Work

TECHNOLOGY	WORLD OF WORK IMPLICATION
3D PRINTING	Requires development of new skills on a large scale. May drive shift to localization of jobs
IMAGERY	Requires new skills, new jobs, and new types of analysts. May reduce need for high-level specialists.
SENSORS	Transform some skills, control systems, increase efficiency, and make for a healthier and safer workforce.
AUTOMATIC RECOGNITION	Will enable training for work requiring technical skills and the performance of these tasks routinely.
BIG DATA	Greater capability to provide information in ways that make choices and impacts more transparent to a greater number.
NEAR FIELD COMMUNICATION	Productivity gains; will also require massive amounts of data to be analyzed.

There were 6 billion mobile subscribers in 2011. That number is forecast to grow to 7.4 billion by 2015. *(Source: GSMA/Portio Research and The Shift – the Future of Work is Already Here)*

By 2020, it is forecast that there will be 22 billion devices connected to the Internet. *(Source: The Shift – the Future of Work is Already Here)*

In the US, 25% of mobile users never or infrequently use the web – that number is growing *(Source: On Device Research 2010)*

The way people work is changing: The number of mobile workers will reach 1.3 billion by 2013 – 1/3 of the world's workforce *(Source: IDC)*

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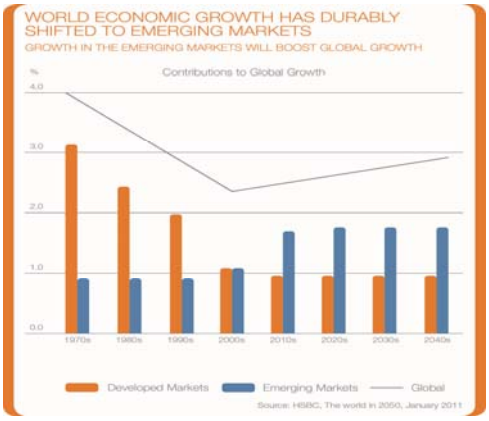
What's Changed

Customer's Are More Sophisticated

How is Wisconsin doing? The 2011 Wisconsin Next Generation Manufacturing Study reports:

- Just 10% of Wisconsin companies innovate at the highest levels
- 11% of Wisconsin companies invested less than 1% of their sales revenue in R&D



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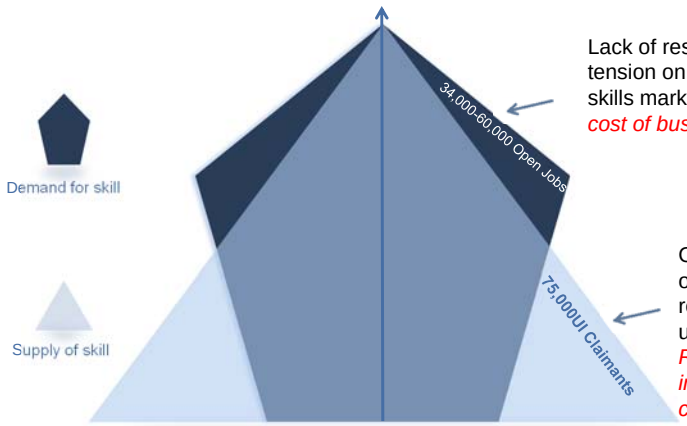
Change is Necessary

Supply/Demand Changes are Driving a Significant Mismatch



Lack of resources creates tension on the high-demand skills market: *Increases the cost of business*

Over-supply of low or wrongly skilled resources generates unemployment: *Reduces public sector income and increases costs for assistance*

Source: Confronting the Talent Crunch A ManpowerGroup White Paper
And Wisconsin Department of Workforce Development, August 29, 2012

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Wisconsin can lead the change

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STRATEGY 1

ALIGN TALENT DEVELOPMENT WITH ECONOMIC DEVELOPMENT

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STRATEGY 1

ALIGN TALENT DEVELOPMENT WITH ECONOMIC DEVELOPMENT

Why: Unleash the economic power of Wisconsin talent development resources to enable the state to retain and attract good jobs and compete globally for employers, talent, and profits

How:

- Replace the Governor's Council on Workforce Investment (CWI) and the Governor's Council on Workforce and College Readiness with a new Governor's Talent Development and Acquisition Council (Talent Council)
- Provide the Talent Council oversight of a $100 million Talent Development Fund to enhance the ability of Wisconsin workers, employers, educational institutions, trainers, economic development professionals, workers, students, and communities to respond to supply and demand changes in critical skills clusters.

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STRATEGY 1

ALIGN TALENT DEVELOPMENT WITH ECONOMIC DEVELOPMENT

Recommendation 1: Establish a Talent Council Managed by the Wisconsin Economic Development Corporation

- Replace the Governor's Council on Workforce Investment (CWI) and the Governor's Council on Workforce and College Readiness with a new Governor's Talent Development and Acquisition Council (Talent Council).
- Representation on the Talent Council should include all current institutional and organizational members of CWI and representation from:
  - Wisconsin Department of Public Instruction
  - University of Wisconsin System
  - Wisconsin Association of Independent Colleges and Universities (WAICU)
  - Other talent development organizations as deemed appropriate by the Governor and the Legislature

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STRATEGY 1

ALIGN TALENT DEVELOPMENT WITH ECONOMIC DEVELOPMENT

Recommendation 1: Establish a Talent Council Managed by the Wisconsin Economic Development Corporation (continued)

- The Talent Council should be housed at, and staffed by, the Wisconsin Economic Development Corporation, with additional staff support by Wisconsin's secondary and postsecondary educational entities, to ensure full alignment with the state's economic development needs and goals.

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STRATEGY 1

ALIGN TALENT DEVELOPMENT WITH ECONOMIC DEVELOPMENT

Recommendation 1: Establish a Talent Council Managed by the Wisconsin Economic Development Corporation (continued)

- The Talent Council's Mission:
  - Oversee the allocation of resources from a new $100 million Wisconsin Talent Development Fund
  - Recommend policies and programs to improve student readiness for college and career readiness aligned to the skills clusters
  - Establish expectations for, and support related to, the alignment of locally based workforce, educational, and economic development strategies
  - Assess and adjust, on an ongoing basis, Wisconsin's talent development strategies in support of the changing economic development climate

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STRATEGY 1

ALIGN TALENT DEVELOPMENT WITH ECONOMIC DEVELOPMENT

Recommendation 2: Establish a $100 million Wisconsin Talent Development Fund (TDF)

- Limit the use of TDF funds to making matching grants to businesses, educational institutions, workforce investment boards, regional economic development organizations and other parties presenting a specific strategy to address a document talent need.
- Task the Talent Council with overseeing and awarding TDF funds.
- Task the Wisconsin Economic Development Corporation with administering and managing the TDF.

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STRATEGY 1

ALIGN TALENT DEVELOPMENT WITH ECONOMIC DEVELOPMENT

Recommendation 2: Establish a $100 million Wisconsin Talent Development Fund (TDF)

- The TDF's Mission:
  - Invest in real-time skills development and innovations that support the right-skilling of Wisconsin's current and future workforce
    - Customized job training to meet immediate needs of Wisconsin employers
    - Workforce-related investments to assist in attracting and retaining business
    - Investment in emerging skill requirements
    - Replication and scaling of best practices
    - Talent development collaboration

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STRATEGY 2

PROVIDE REAL-TIME JOBS AND CAREER INFORMATION ON DEMAND

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STRATEGY 2

PROVIDE REAL-TIME JOBS AND CAREER INFORMATION ON DEMAND

Why: Focus on understanding and tapping the power of real-time information to inform, guide, and enable Wisconsin's citizens, workers, educators, trainers, and employers to productively equip talent to succeed in the fast changing world of work.

How:

- Create a strategic talent supply and demand assessment focused more broadly on skills clusters, rather than simply on job classifications. It will give employers and employees a better understanding of how existing skills apply to multiple jobs across many industries.
- Develop the most comprehensive real-time workforce data warehouse in the nation.

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STRATEGY 2

PROVIDE REAL-TIME JOBS AND CAREER INFORMATION ON DEMAND

How (continued):

- Design, build and operate a single source digital point of access to a user-friendly application that allows citizens, employers, workers, teachers, trainers, analysts, and policymakers to sort and use the data for their individual, community, and state economic benefit.
- Maximize citizen benefit from Wisconsin's world-class education and training systems by recognizing the growing importance of real-time management and empowerment of individuals at every stage and in every part of their lives with a perspective that strengthens their ability to pursue lifelong employability.
  - Generate intelligence on entry requirements and expectations throughout the state's public and private sector education, training, and employment institutions
  - Build on and expand Wisconsin's current efforts to establish a stackable, modular educational/training credit system that supports lifelong learning and employability

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STRATEGY 2

PROVIDE REAL-TIME JOBS AND CAREER INFORMATION ON DEMAND

How (continued):

- Foster approaches for enabling youth to enter the world of work by encouraging employers and secondary and postsecondary education to align apprenticeships, internships, dual enrollment opportunities, industry certification programs, and other applied learning programs with the skills clusters roadmap.

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STRATEGY 2

PROVIDE REAL-TIME JOBS AND CAREER INFORMATION ON DEMAND

Recommendation 3: Create Supply/Demand Forecasts Based on Skills Clusters

- Develop a comprehensive talent supply and demand projection for Wisconsin that examines the skills required by Wisconsin's employer groups
- Focus on aligning and advancing the modern skills clusters within these groups
- Initiative this analysis with Wisconsin's key employer groups

What are skills clusters? Skills clusters are a contemporary way to group multiple occupations that share similar skills. This approach assumes that in the future mobility across industries and roles will be a new normal.

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STRATEGY 2

PROVIDE REAL-TIME JOBS AND CAREER INFORMATION ON DEMAND

Recommendation 3: Create Supply/Demand Forecasts Based on Skills Clusters

SKILL CLUSTERS	Systems & Network Software Development, Nursing and Health Related Professions, Accounting & Financial Analysis, Mechanical Engineering and Metal manufacture
SECTORS	Agriculture, Dairy & Food Processing, Financial Services, Insurance & Real Estate; Healthcare, Manufacturing, Transportation, Water & Water Research
PROJECTION	This is a ten year forecast, but for simplicity purposes, we have reported snapshot insights over the ten year period in 2012, 2016 and 2021.
STATE	Only Wisconsin workforce statistics – One of the two Other Qualified Workers group is a forecast of neighboring states.

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The BE BOLD 2 Supply/Demand Study

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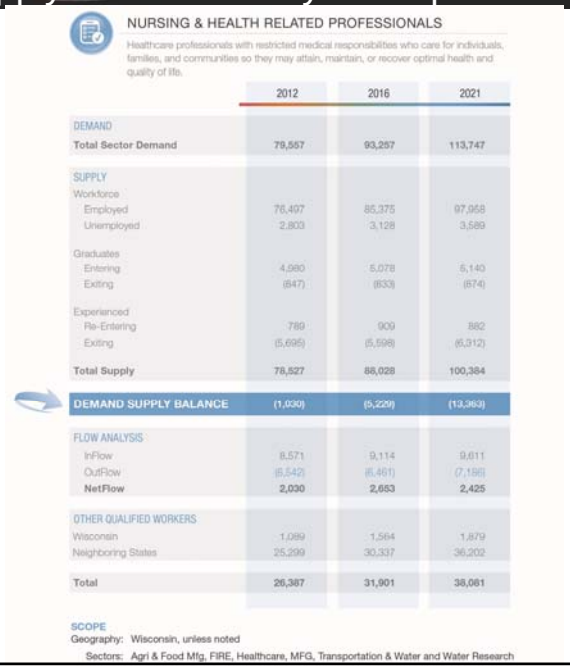
The BE BOLD 2 Supply/Demand Study - Sample

- This cluster appears as #8 on Manpower's "Top 10 Jobs USA Employers Having Difficulty Filling"
- Demand for this cluster outstrips supply by 6% in 2016; and if nothing changes is expected to double by 2021.
- An aging WI population and changes in health care is expected to continue to keep demand high over the next 10 years.
- This is a particularly difficult cluster to predict from a supply perspective as a segment of these professionals move in and out of employment either on a temporary basis or career stage basis.
- Fortunately, this cluster benefits from a lower migration rate (out of the state) than other clusters—graduates tend to stay.
- We are also seeing an interesting trend of boomers retooling into healthcare as a second career.



NURSING & HEALTH RELATED PROFESSIONALS

Healthcare professionals with restricted medical responsibilities who care for individuals, families, and communities so they may attain, maintain, or recover optimal health and quality of life.

	2012	2016	2021
DEMAND			
Total Sector Demand	79,557	93,257	113,747
SUPPLY			
Workforce			
Employed	76,407	85,375	97,958
Unemployed	2,803	3,128	3,589
Graduates			
Entering	4,980	5,078	6,140
Exiting	(847)	(833)	(874)
Experienced			
Re-Entering	789	909	882
Exiting	(5,695)	(5,598)	(6,312)
Total Supply	78,527	88,028	100,384
DEMAND SUPPLY BALANCE	(1,030)	(5,229)	(13,363)
FLOW ANALYSIS			
InFlow	8,571	9,114	9,611
OutFlow	(6,542)	(6,461)	(7,186)
NetFlow	2,030	2,653	2,425
OTHER QUALIFIED WORKERS			
Wisconsin	1,089	1,564	1,879
Neighboring States	25,299	30,337	36,202
Total	26,387	31,901	38,081

SCOPE
Geography: Wisconsin, unless noted
Sectors: Agri & Food Mfg, FIRE, Healthcare, MFG, Transportation & Water and Water Research

STRATEGY 2

PROVIDE REAL-TIME JOBS AND CAREER INFORMATION ON DEMAND

Recommendation 4: Develop the most comprehensive real-time workforce data warehouse in the nation.

- Enable individuals, workers, employers, educators, counselors, trainers, analysts, and policymakers to more quickly assess the current skills makeup of the workforce and make informed decisions about how best to achieve their corporate, individual, and institutional objectives

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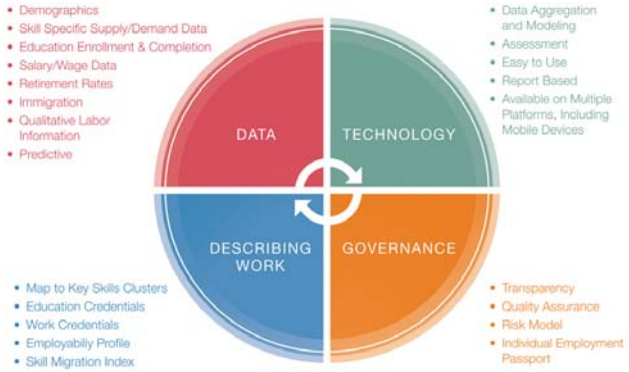
STRATEGY 2

PROVIDE REAL-TIME JOBS AND CAREER INFORMATION ON DEMAND

Recommendation 4: Develop the most comprehensive real-time workforce data warehouse in the nation.



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STRATEGY 2

PROVIDE REAL-TIME JOBS AND CAREER INFORMATION ON DEMAND

Recommendation 5: Develop mobile app to provide access to career information

- Design, build, and operate a single source digital point of access to a user-friendly application that allows citizens, employers, workers, teachers, trainers, analysts, and policymakers to sort and optimize the data.
- Aggregate a range of data collection investments to provide Wisconsin employers and workers with a single common portal for securing data on all aspects of career planning, talent trends, education options, and job openings.

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STRATEGY 2

PROVIDE REAL-TIME JOBS AND CAREER INFORMATION ON DEMAND

How Stakeholders Will Talk to Each Other with the Wisconsin Workforce App:

- **Individuals** access and sort data that helps them understand pros and cons for in-demand jobs and training and education that will prepare them.
- **Employers** connect with the talent pipeline through a common source.
- **Educators** link in-demand skills with educational and career pathways and serve up content that learners access in real-time.
- **Government** is able to anticipate trends and determine how to adapt to market forces.

STRATEGY 2

PROVIDE REAL-TIME JOBS AND CAREER INFORMATION ON DEMAND

Recommendation 6: Leverage existing and create new career pathways and roadmaps.

- Leverage real-time data, innovation and educational and training best practices to maximize citizen benefit from Wisconsin's world-class education and training systems, empowering citizens to engage in lifelong learning that enhances employability and employment security.
- Charge the Talent Development Council to lead the development of explicit and shared intelligence on entry requirements throughout the state's public and private sector education, training, and employment opportunities.

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STRATEGY 2

PROVIDE REAL-TIME JOBS AND CAREER INFORMATION ON DEMAND

Recommendation 6: Leverage existing and create new career pathways and roadmaps.

- Continue, as rapidly as possible, to build on and expand Wisconsin's current efforts to establish a stackable, modular educational/training credit system that supports lifelong learning and acknowledges natural education "on and off ramps," created through a collaboration amongst the Department of Public Instruction, K-12 schools, the UW System and WAICU, WTCS, DWD, and the state's regional economic development entities and local WIBs.

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STRATEGY 2

PROVIDE REAL-TIME JOBS AND CAREER INFORMATION ON DEMAND

Recommendation 7: Support internships and experiential learning in targeted skillsets.

- Foster approaches for enabling youth to enter the world of work by encouraging employers to align internships, apprenticeships, dual enrollment opportunities, industry and skill certifications, and applied learning programs with the skills clusters roadmap.

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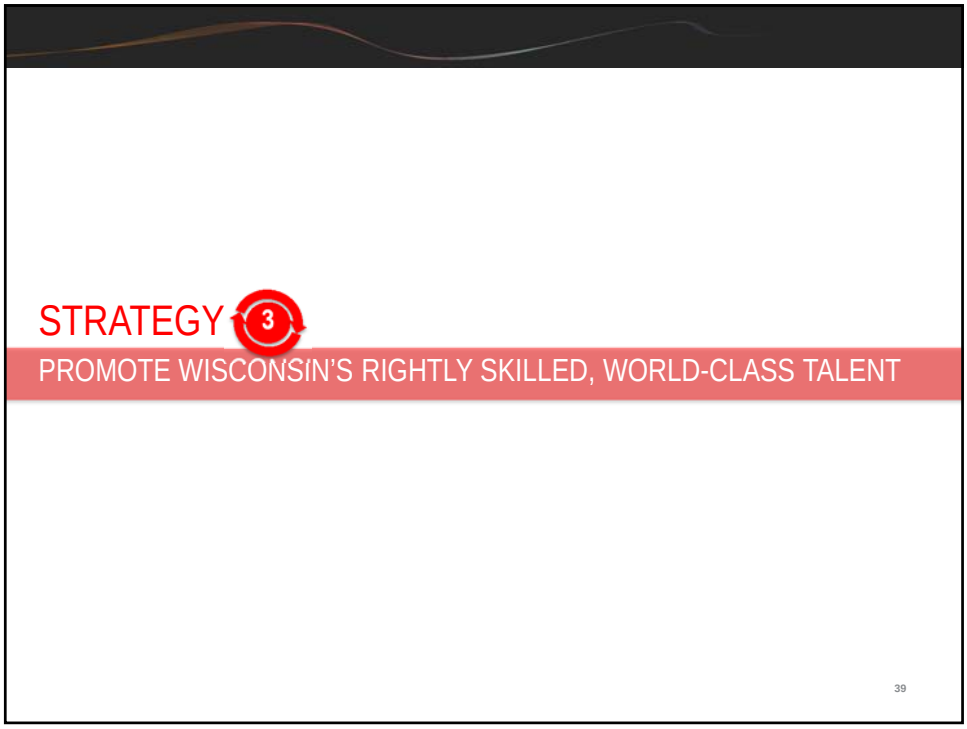

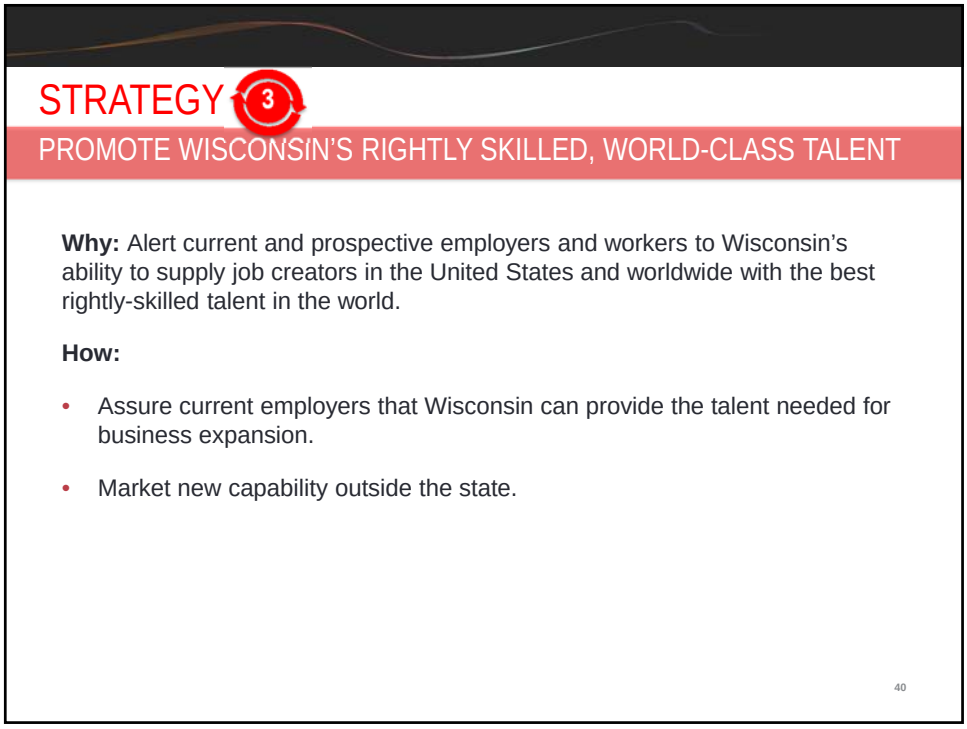

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STRATEGY 3

PROMOTE WISCONSIN'S RIGHTLY SKILLED, WORLD-CLASS TALENT

Recommendation 8: Alert employers and workers to Wisconsin's ability to supply job creators in the United States and worldwide with the best, rightly-skilled talent in the world.

- WEDC should develop and implement a significant, on-going "marketing and recruiting" campaign to alert current and potential job creators and job seekers to Wisconsin's
  - Unparalleled education and training capacity
  - Aggressively positive business environment
  - Unique and robust workforce development capacity

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BE BOLD 2

Growing Wisconsin's Talent Pool

- A Competitive Wisconsin **BE BOLD** initiative