

Education and Workforce Development: Can We Cultivate a 21st Century Workforce?

Background

California faces a series of societal, demographic and economic challenges that is unprecedented. The highly skilled baby boom generation will be retiring and many projections indicate that California's replacement workers will have lower levels of education attainment if current trends persist. There is mounting evidence that California's workforce is unprepared for the jobs of the future; many young people are not graduating from high school; too few high school graduates are going on to college; and working adults have limited opportunities for lifelong education and career advancement.

The Employment Development Department's (EDD) Labor Market Information Division forecasts there will be 2.6 million new jobs across the economy through 2014. Add to this an estimated additional 3.9 million replacement opportunities due to career change and retirement. Taken together, this represents 6.5 million job openings by 2014, just six years from now!

To address these issues, EDD has taken a number of steps to increase workforce resources, expand Labor Market/Workforce Intelligence, target specific industry sectors affected by the economic downturn and design more effective and efficient service delivery systems for customers of One-Stop Career Centers.

Investments in workforce development are critical for cultivating a 21st Century Workforce. At the same time we see this dramatic shift in our existing and potential labor force, California continues to experience declines in federal and state funding for workforce development programs. In response we are seeking alternative funding through innovative funding collaboratives and new Federal Grants like the Green Jobs Act of 2007.

California's Response

Integrated Service Delivery

The EDD is participating in a significant effort with local partners to design more effective and efficient service delivery systems for customers of One-Stop Career Centers. In early 2007, leadership from the EDD, Local Workforce Investment Boards (Local Boards), the California Workforce Investment Board (State Board) and the Labor and Workforce Development Agency (Agency) came together to consider the development of an integrated service delivery model for California's workforce system and its One-Stop Career Centers. This group agreed that continued economic and fiscal pressures, coupled with higher demands for service and performance accountability, requires a fundamental change in California's delivery system for workforce services.

With this understanding, an effort was launched involving representatives from State Board staff, EDD's Workforce Services Branch (WSB), Agency, the California Workforce Association (CWA) and 12 Local Boards. This planning team identified the characteristics of an effectively integrated service delivery model that will:

- Respond to 21st Century industry demand and our contemporary workforce crisis;
- Assure that our services and training are in alignment with current local and regional labor market requirements;
- Shift service priority to an emphasis on worker skills – assisting workers to gain the skills leading to self-sufficiency, and responding to employer demand;
- Cope with limited and declining funding through a more efficient use of resources and a reduction of program duplication and requirements; and
- Systematically improve the coordination of WIA and Wagner-Peyser funded services to achieve improved customer outcomes and more efficient and effective customer service.

In order to prototype an integrated service delivery system, work groups comprised of State and local partners are developing policy recommendations, strategies, and operating models tested by twelve Local Boards who have volunteered to serve as learning labs for proposed models. The target date for Learning Lab implementation is July 2008. The learning from these approaches will inform the development of the draft and subsequent state integrated service delivery policy.

Labor Market/Workforce Intelligence

Areas will use a variety of labor market tools to assess the local economy and employer needs. The Local Boards will use the data to identify skill gaps and to work with educators and training providers to develop relevant curriculum. In addition, they will develop strategies to meet the needs of employers. The LWIAs indicate the service design model will ensure qualified job seekers are provided with employment opportunities that best match their skills.

Statewide Initiatives

California is taking a two pronged approach to: 1) address the shortage of skilled workers by targeting specific populations with barriers to employment and 2) target workers laid off due to the downturn in the economy.

- Veterans
More than 1,500 newly discharged veterans will receive help finding jobs in high-growth occupations in California through \$6 million in WIA funds.
- CalGRIP (California Gang Reduction, Intervention and Prevention)
As part of the Governor's overall CalGRIP initiative, the EDD awarded grants to 19 agencies through a competitive solicitation process. Services will be targeted to youth 14-24 who are either a current gang member, gang involved or at-risk of gang involvement.
- Construction Talent Transfer
A Solicitation for Proposal (SFP) for \$4.5 million in WIA funds was released to transition laid-off workers from residential construction into jobs requiring similar skills in public works and commercial construction.
- Mortgage Industry National Emergency Grant
In response to the recent housing market downturn and sub-prime mortgage foreclosures, the Governor announced a \$5.6 million National Emergency Grant from the U.S. Department of Labor to retrain workers laid off from the mortgage and banking industry.