

CDO Workforce Investment Board

State of the Workforce and Strategic Plan

Sector Roundtable: Manufacturing

Supplemental Insights: Workforce Situation in Manufacturing

A Manufacturing Roundtable added the following issues to clarify and expand upon the background provided at the Summit.

- *Manufacturing has a big “image” problem:* The Manufacturing industry is thought to be in decline, while growth is only occurring in the services sector. This belief is distracting young people from entering this sector. Even adults in job transition may not be aware of the challenging, well-paying jobs in Manufacturing. Manufacturing has a very bright future as technology applications continue to improve productivity and profitability. This is not to say that some parts of Manufacturing will not be lost to overseas locations, but this global job shift frees up people to move into a higher value-added production if they are willing to learn new skills. Somehow, students, parents, guidance counselors, and teachers need to become aware of how significant Manufacturing is to the local economy of the CDO region and what new opportunities are presenting themselves—not just on the production line, but behind the scenes at the technician level and, of course, in management, and distribution, information systems.
- *Fast pace of change:* Because Manufacturing is at the forefront of technological and managerial change in the U.S., job descriptions are changing very fast. New competencies are being required for the same job and, in fact, a job of the same title might involve very different work activities compared with five years ago. Again, this appears to be misunderstood in local labor markets.
- *Manufacturing is less reliant on “learning on the job” than in the past:* As competencies become more sophisticated, they require technical background in addition to on the job experience. New forms of learning are required and constant re-learning is necessary. By and large, this is an industry where it is no longer possible to enter employment directly after high school and hope for a well-paying job based solely on brawn.
- *Because manufacturing is in rapid change, employers prefer workers with experience already:* They are finding it hard to spend the job time training under-skilled workers and are looking for more qualified and experienced workers. This is one reason why education programs with both academic and experiential learning are gaining popularity again.
- *Manufacturers in the CDO region have not coordinated their efforts much:* This particularly applies to coordinated training efforts. The times are changing, however, and Roundtable participants see a need for some kind of “forum” among the manufacturers, even though a variety of sub-sectors were represented at the roundtable, ranging from metal working / machine tooling to pharmaceuticals and

electronics. Consequentially manufacturing is a little like healthcare, it is sectors within the sector. It is not easy to find common ground for prioritizing initiatives that will help enhance the manufacturing workforce overall.

- *Business climate:* The participants felt strongly that the business climate for manufacturing is becoming less attractive in New York State. A variety of factors are contributing to higher costs of doing business, including the tax structure, regulatory climate and inadequate funding for applied research and development and applied education/ training to enhance productivity. Consequently, the industry needs to focus on the areas that it has control over locally, one of which is the talent pool of the available workers. Participants agreed there needs to be a better way to articulate demand from their various firms and for educational providers to deliver training for growth occupations within their respective industries.
- *Improving communication:* In addition to forming some formal or informal “forum,” the manufacturers need a better way to communicate directly with educators in the region. These educators include BOCES, from SUNY Delhi, local schools and from the Attica School of Commerce. Education participants at the Roundtable expressed genuine interest in responding to the needs of manufacturers, but at the moment they bemoan there is an ill-structured mechanism by which manufacturers can share need and aggregate demand in such a way that educators can respond in constructive ways.
- *Tuition reimbursement:* The majority of employers do have some form of tuition reimbursement program, but most recognize that it is not well-utilized, especially by frontline workers. It is used more so by salaried workers. A variety of modifications have been tested by particular employers. Participants were intrigued with how they could better structure their internal training funds for improved productivity and profitability and individual worker benefit.
- *Friendly competition:* A variety of educational providers are competing in the region. This is a healthy development, and manufacturers need to recognize that they should see themselves as aggregators of demand, and negotiate with providers to ensure that the best offerings are available for their workers, as well as for the betterment of the talent pool in the region. Some providers are recognized for their capacity.
 - BOCES has a well-developed laboratory in the mechanical and metal crafts and related fields. This laboratory is being underutilized at present. In fact, only five students are registered at the current time. If better use is not made of these facilities, they could well be closed down. Without better information to school leavers and better understanding of career ladders, it is becoming increasingly difficult the market this kind of educational program.
 - The BCC (Community College) offers a learning track that is more integrated with degreed education and advancement—along the lines of a 2 + 2 track involving the last two years of high school with a certification, leading to an Associate degree later. In the long run, this might be articulated with a four year degree offering. By and large, American learners are more attracted to programs that are well-integrated so that their learning paths remain open and opportunities for higher levels of qualification are possible down the

road. Consequently, manufacturers would do well to explore 2 + 2 + 2 type tracks of learning, where those entering the industry can appreciate the variety of learning paths available down the road. Such career tracks will need the help of local firms in documentation. A couple of employers recognize that they are at that stage in building internal career tracks that a competency based career track is beginning to make sense.

Priorities

Even with the industry diversity represented by the group, several common priorities arose. However, these priorities are not refined well enough at this stage to make a firm proposal. The group agreed to reconvene for a follow-up meeting in the second week of June in Sidney between 10 am and 1 pm. Kevin Price of CDO Workforce Investment Board will be in contact with meeting details and will also be contacting participants for their suggestions concerning others to invite. It was agreed that this meeting should only involve manufacturers. At subsequent meetings, the education providers might be invited.

1. A top priority recognized by all participants was better information about the Manufacturing sector, what it contributes to the local economy and the kinds of jobs and career paths available. This would require quite a bit of documentation, but it would be well worth it in reaching out to those who may not be immediately college bound.
2. Various certification programs were discussed that could fit with senior high school programs. Most of these high-quality certification programs are nationally recognized. Local employers would need to agree upon certifications they can recognize as qualifications for various kinds of jobs. In the case of metal working, the national NIMMS standards and certification was identified as an excellent building block. In this case, the metal-related firms in the region would agree upon NIMMS certification as an entry credential for a career path and would agree to give hiring preference to those with that credential. It was recognized by the group that while guaranteed employment is not possible, some way of assuring students they would be given preferential consideration is important to attracting them to this field of study and employment. Participants recognized that trained people are in extremely short supply and local industry will have to do these kinds of things to make a difference. Along with the certification program, internships and job shadowing would be available from participating employers. This would provide employers the opportunity to “pre-screen” students by observing how they fit with work groups and work organization.

Second Tier Priorities

3. Participants complain that funding to support training and productivity improvement in their firms has diminished and is not given much attention by state employment/economic development entities. The manufacturing industry would need to coordinate more to make its case to leverage up public investments in training, and productivity improvement.
4. Another second order priority for manufacturers is to share information about their internal training efforts. In so doing, they're might be several ways to provide training to each other or share resources in ways to enhance overall management

performance and worker productivity. This would require a much more open environment of trust than usually exists among manufacturers at the local level, but is certainly an appealing proposition. As local manufacturers develop more communication channels, they will begin to realize how much win-win there is in cooperation and joint venturing.