

The Role of PDCs/ Regional Commissions in Workforce Development

Wayne Strickland

Executive Director

Roanoke-Valley Alleghany Regional Commission

VAPDC Summer Conference

Virginia Beach, VA

August 6, 2015

THE IMPORTANCE OF A VIBRANT WORKFORCE DEVELOPMENT SYSTEM



- Human capital is critical to the economy of all communities.
- Skilled workers (both hard and soft skills) help build wealth .
- Skilled workers help to generate revenue for local governments and reduce the costs of government
- Regions with skilled workers help attract new businesses

VIRGINIA RECOGNIZES THE IMPORTANCE OF A SOUND WORKFORCE SYSTEM

- In a 2013 report, JLARC highlighted problems with the State's workforce system.
- In August 2014, the Governor issued Executive Order 23 to help grow and diversify Virginia's economy, which calls for:
 - *Analyzing regional industry needs*
 - *Implement common performance metrics*
 - *Providing data on regional skills gaps, wages and availability of workforce programs*
 - *Develop a dashboard providing info on supply of workforce credentials*



The Governor's "Supply Chain Approach" is designed to turn our Workforce Development system into one that is more focused on the needs of employers.

VIRGINIA RECOGNIZES THE IMPORTANCE OF WORKFORCE

WITHIN A DECADE
VIRGINIA MUST:

Replace

930,000+

Workers
AND
Create

500,000

New Jobs

THE CURRENT
WORKFORCE
SYSTEM

OVER \$360
MILLION

Annually Spent on

Workforce Programs

15

Local
Workforce
Investment
Boards

8

Agencies
Administer

24

State Programs

BUSINESSES ARE CONCERNED ABOUT WORKFORCE GROWING SKILLS BLUEPRINT

GAP
80% of small
The Guardian

businesses

That were hiring had fewer qualified applicants for their openings

1 out of **6**

Small businesses stated that the low quality of available labor is most pressing challenge facing their business



VIRGINIA
WORKFORCE
Virginia Chamber of Commerce

GOAL

Create a more robust workforce to meet the needs of a growing and diverse business community

- Strengthen Virginia's approach to workforce development at the state level and within regions
- Elevate Virginia's workforce system brand so that it is nationally recognized among businesses
- Continue to emphasize collaboration across state agencies in providing technical assistance and expertise to regional partnerships.

Source: <http://www.theguardian.com/sustainable-business/2015/jun/22/skills-gap-small-business-qualified-staff>

LEADERSHIP ROLES FOR PDCS/RCS IN WORKFORCE

The federal Workforce Innovation and Opportunity Act places greater responsibility on local governments.

We can take on a supportive role in support of workforce by using our data to:

- Analyze the regional labor market (such as an assessment of growing and declining employment sectors),
- Prepare a workforce analysis (looking at possible skill gaps), and
- Examine the age distribution of workers to help project future employment needs as workers retire.



Our job is to promote the economic well-being of our member governments.

INDUSTRY CLUSTERS- EMPLOYMENT

INDUSTRY CLUSTERS- ESTABLISHMENTS

<u>Industry Cluster Description</u>	<u>QCEW Cluster Employment</u>	<u>Industry Cluster Employment LQ</u>
TOTAL ALL INDUSTRIES	76,459	1.00
Agribusiness, Food Processing & Technology	1,049	0.60
Manufacturing Supercluster	1,924	0.67
Glass & Ceramics	190	1.45
Transportation Equipment Manufacturing	863	1.19
Computer & Electronic Product Manufacturing	162	0.31
Education & Knowledge Creation	2,231	0.77
Advanced Materials	1,820	0.74
Chemicals & Chemical Based Products	1,181	1.08
Printing & Publishing	730	0.61
Business & Financial Services	4,964	0.73
Primary Metal Manufacturing	63	0.64
Electrical Equipment, Appliance & Component Mfg	349	1.92
Forest & Wood Products	732	1.03
Information Technology & Telecommunications	1,291	0.44
Energy (Fossil & Renewable)	2,752	0.80
Mining	135	1.15
Fabricated Metal Product Manufacturing	410	0.56
Machinery Manufacturing	77	0.18
Apparel & Textiles	200	0.54
Transportation & Logistics	4,661	2.02
Biomedical/Biotechnical (Life Sciences)	10,743	1.28
Defense & Security	3,872	0.92
Arts, Entertainment, Recreation & Visitor Industries	2,042	0.68

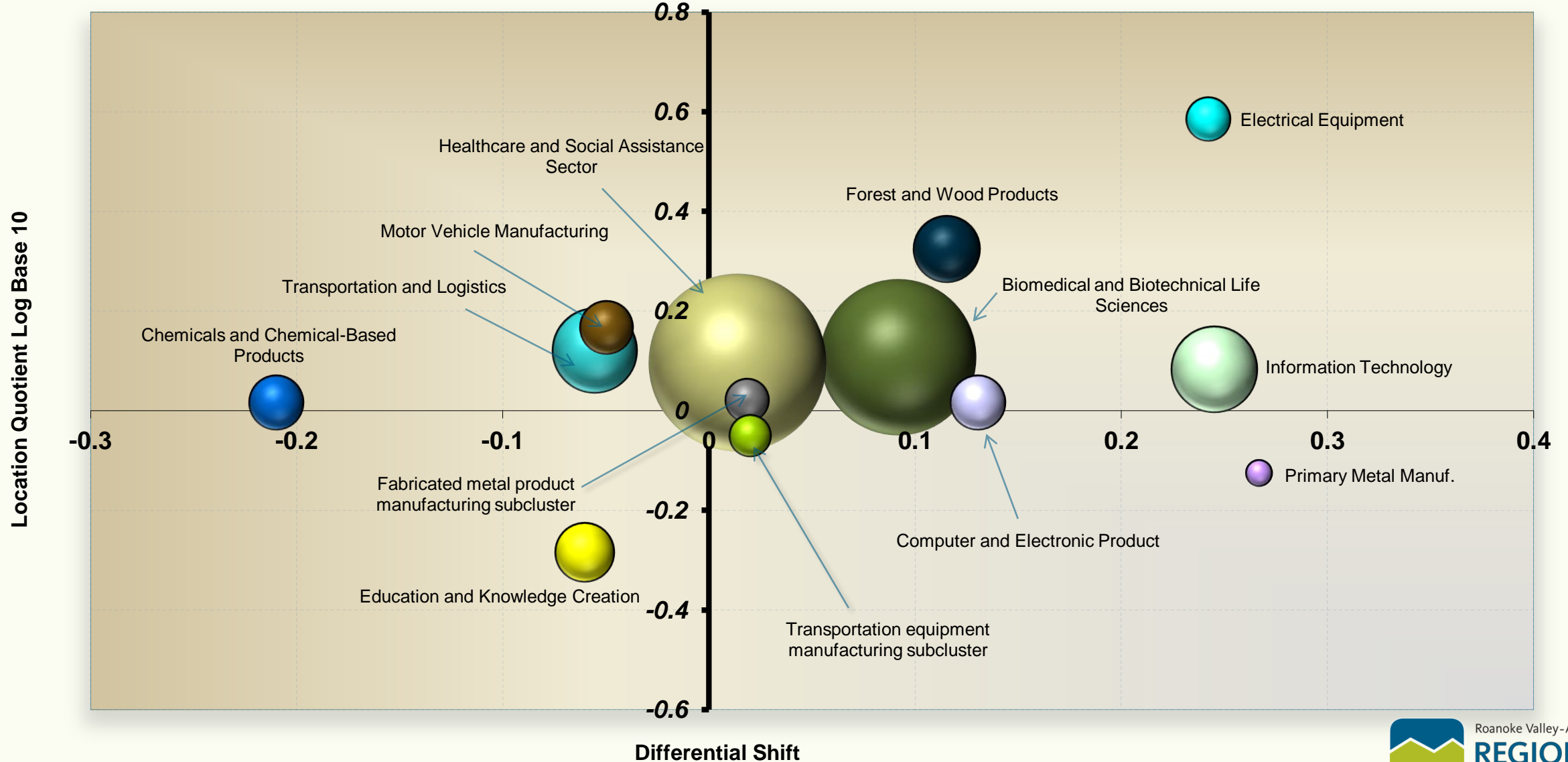
<u>Industry Cluster Description</u>	<u>QCEW Cluster Wages</u>	<u>Industry Cluster Annual Wages LQ</u>
TOTAL ALL INDUSTRIES	\$3,060,115,041	1.00
Agribusiness, Food Processing & Technology	\$46,832,092	0.85
Manufacturing Supercluster	\$87,401,702	0.54
Glass & Ceramics	\$12,035,490	2.29
Transportation Equipment Manufacturing	\$40,282,673	0.95
Computer & Electronic Product Manufacturing	\$8,864,914	0.21
Education & Knowledge Creation	\$99,891,658	0.82
Advanced Materials	\$109,741,954	0.73
Chemicals & Chemical Based Products	\$70,712,497	1.21
Printing & Publishing	\$31,723,666	0.49
Business & Financial Services	\$366,551,665	0.75
Primary Metal Manufacturing	\$3,416,097	0.74
Electrical Equipment, Appliance & Component Mfg	\$13,250,514	1.53
Forest & Wood Products	\$30,239,379	1.10
Information Technology & Telecommunications	\$94,810,299	0.41
Energy (Fossil & Renewable)	\$164,260,536	0.75
Mining	\$6,014,479	0.93
Fabricated Metal Product Manufacturing	\$17,719,844	0.59
Machinery Manufacturing	\$3,867,659	0.17
Apparel & Textiles	\$8,028,264	0.55
Transportation & Logistics	\$200,708,854	2.16
Biomedical/Biotechnical (Life Sciences)	\$509,342,916	1.51
Defense & Security	\$228,729,708	0.90
Arts, Entertainment, Recreation & Visitor Industries	\$55,404,485	0.62

Source: US EDA, Innovation in American Regions, <http://www.statsamerica.org/innovation/anydata/custom.asp>, 2015.

Detailed industry cluster definitions can be found at http://www.statsamerica.org/innovation/reports/detailed_cluster_definitions.pdf

VISUALIZING THE CLUSTERS

Select Clusters by Differential Shift, Concentration and by Size: 2006 to 2009



THE ROLE OF PDCS/RCS –CONT'D



There are more direct roles for us to play, such as:

- Convening employers and workforce groups to ensure the workforce system is supply side driven,
- Work with school systems to promote career & technical education programs,
- Prepare case studies of what works and what doesn't work in workforce programs.

QUESTIONS?

Wayne Strickland

Executive Director

Roanoke-Valley Alleghany Regional Commission

wstrickland@rvarc.org

Ph- 540.343.4417