

# **A Workforce Development System for the 21<sup>st</sup> Century**

**Developed through a partnership of the following organizations:**  
**Great Lakes Employment and Training Association**  
**Illinois Department of Commerce and Economic Opportunity**  
**Minnesota Department of Employment and Economic Development**  
**Missouri Department of Economic Development's Division of Workforce  
Development**

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**Looming crisis ahead! There's a dangerously growing shortage of skilled workers to fill jobs. Projections from the Bureau of Labor Statistics forecast a shortage of 10,033,000 workers by 2010. And this shortage is simply raw numbers; it doesn't fully address the growing skills gap.**

***From: Impending Crisis: Too Many Jobs, Too Few People  
By Roger Herman, Tom Olivo, and Joyce Gioia***

During the March 2006 Heartland Symposium, a meeting was held between the Great Lakes Employment and Training Association and the State Workforce Liaisons that comprise United States Department of Labor Region V. One topic of the meeting was to address public misperceptions about workforce expenditure rates throughout the 10 states.

What soon became clear was that the workforce development system as we know it needs to change. Although successful on many levels, the current workforce system will not be adequate to meet the business demands of the 21<sup>st</sup> century. An expansion and in some cases a new direction for the workforce development system is needed.

This paper outlines our collective vision for an improved, more relevant workforce development system.

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**MISSION STATEMENT:**

*The primary mission of the national workforce system is to increase exponentially the number of skilled workers necessary to meet employer demands in a 21<sup>st</sup> century economy and global market.*

1. **We will need the whole population of potential job seekers to address our future labor needs.**

Employers need a growing pool of workers. It is essential that the national workforce development system create that pool by offering skill development opportunities to all customers.

As the powerful forces of globalization, innovation, and technology tighten labor markets there needs to be a realization of the critical nature of bringing all people into the workforce. The entire talent pool must be mobilized including immigrants, people with disabilities, potential entrepreneurs, incumbent workers, younger workforce entrants, and older/experienced workers. We must develop unique systems dedicated to raising all customer skill levels including foundational work readiness skills, basic workforce skills, and occupational skills. One-size fits all approaches simply will not meet the needs of all customers.

This is not an abandonment of our traditional role in helping low-income individuals or displaced workers obtain relevant training and employment. It is instead a realization that the role of workforce development boards and programs must expand beyond our traditional borders.

2. **The workforce development system must be embraced as an economic development tool within communities.**

The retention of businesses is key to the economic health of our communities. The availability of a highly skilled workforce is key to retaining business. In this reality recognizing and serving incumbent workers takes on a new importance.

The workforce system must also be seen as a provider of information to businesses. Providing data research, trend analysis, and growth projections need to be a regular part of the services provided to employers. The states and federal governments create and maintain large amounts of data that can be used by employers. Workforce Investment Boards, as local entities, have the capacity to provide regional labor market intelligence that positions them as brokers of value-added information.

The symbiotic relationship between workforce and economic development makes it essential that the local business community remains the driver of both systems. Employers must be embraced at the federal, state, and local levels as the “steering committee” that identifies industry trends, business requirements to grow or change direction altogether, and then be empowered to proactively address the needs of the community.

**3. The focus of relevant oversight bodies needs to be on outcomes, not simply compliance.**

By outcomes we do not mean the traditional achieving of confusing and often arbitrary performance standards. We mean a real focus on quality improvement. The philosophy needs to be one of raising the bar for all programs. Those programs and boards that have raised quality need to be recognized. Peer to peer training must be supported and funded to establish a national training system for the system itself.

Concepts such as franchising, for-profit, and regional certification should be investigated as a means to create the highest quality programs and boards possible.

**4. Regionalism that recognizes the needs of communities must be encouraged.**

Historically when a concept such as regionalism is talked about the conversation devolves into the number of workforce areas in a state or on the inability to cross borders such as state and county lines.

The political process in a state determines the number of workforce areas. Economic development needs do not recognize these boundaries and so it is counterproductive for our system to dwell on them. Workforce boards must be encouraged at both the state and federal level to develop whatever strategic alliances they need to in order to meet their mission, regardless of state, county, city or workforce area boundaries. Those partnerships will change depending upon economic and workforce needs. This must result in a more cost effective, higher quality, and productive system.

**5. Workforce development must be made a national priority.**

Whether for avian flu, the war on terror, or hurricane relief, the federal government has found both the political will and financial means to address crises facing this country. The lack of current worker skills and potential loss of our competitive edge in the world economy is no less of a national emergency. Our leaders in Washington must make workforce development one of the first issues addressed by the 110<sup>th</sup> Congress including ensuring adequate funding for the system.