

WISCONSIN INNOVATION AT WORK: PROGRESS IN BUILDING STRONGER SKILLS FOR A STRONGER ECONOMY

WORKFORCE DEVELOPMENT RECOMMENDATIONS FOR THE WISCONSIN GOVERNOR-ELECT

NOVEMBER 2010

Congratulations on your election. We are a diverse group of leaders from Wisconsin and we offer these recommendations to build a stronger workforce and skill system in the state. We believe these recommendations are critical to advancing Wisconsin's economy and look forward to working with you on this.

Over the past years, private and public sector leaders in Wisconsin have forged a new vision and a new partnership in the state focused on building the skills employers need. Like leaders in more than dozens of other states, we are using Industry Partnerships to continue to modernize the state's skill and training systems. We know if we don't continue to build skills in our workforce, competitive forces will leave us behind.

In Wisconsin, business, labor, public, philanthropic and academic leaders have considered the problems in our system and advanced the Industry Partnerships as a new way of doing business. Industry Partnerships, led by the private sector in critical industries, now exist in every region of the state. Given our direct experience with workforce and skill issues, we know -- perhaps better than many in the state -- that building the skills of the state's workforce, in ways that are relevant to tomorrow's economy, is essential to fuel Wisconsin's economic growth.

Here we offer a description of the work that's been undertaken. More importantly, with this communication we pledge to continue to work to support and build industry partnerships in Wisconsin. As the next governor of the state, we are asking that you continue to support this work as well. This infrastructure of innovation provides a positive way forward for firms and their employees in this state.

What are Industry Partnerships? Industry Partnerships in Wisconsin bring together private sector industry leaders in key industries to identify their needs at a regional level. Public resources -- from technical colleges, to high schools, to workforce boards -- work together to respond to those needs and develop training and skill programs directly relevant to the industry and its workforce. Wisconsin already has more than 30 Industry Partnerships across the state, serving employer needs in ways that build workers skills. The project has engaged dozens of employers and trained hundreds of employees.

Why do we support this work? Fundamentally, this work puts employers and their workers at the center of skill and workforce systems. In the past, employers in the state have too often felt that they were called as an afterthought; confused by the myriad resources available; advised to do things that didn't make sense for their businesses; or unaware of existing resources. In Industry Partnerships, we identify shared challenges and generate solutions to solve them. The public sector supports this work, but employers lead it. That's innovation that works for us. And it is innovation that focuses on more effective use of existing resources, leveraging small investments to make broad private sector innovation possible.

Building on Wisconsin's Strengths

This work capitalizes on the unique strengths and resources of the state.

First, it focuses on **employers** and innovates to serve us better. While the current economic downturn has been difficult for us all and has temporarily eclipsed some of the concern about labor and skill shortages, we can see the writing on the wall: too many of the state's most skilled employees are nearing retirement age and we don't see the pipeline for skilled workers that we will need. We know we need our workers to be skilled but also adaptable, but too often we can't maintain or expand our businesses in the state because the skills we need are not readily available. We can provide the information to help build the training for skills for the future and jobs for the future. But we need Industry Partnerships to do this.

Second, it develops a strategy by **aligning existing resources rather than just developing new ones**. Federal and state resources provide multiple and often confusing possible sources of support for employers and our workers. If those resources can be aligned behind the effort of supporting employer needs, the outcomes for our system will be better, and the outcomes for firms will improve. We believe that the state's strategic investment of resources in this area is having and promises pay-offs far beyond the investments.

Third, this strategy develops the critical human resources of the state, focusing especially on the **700,000 workers in the state who we know need skills to move ahead in the labor market**. (That's the number of Wisconsin workers with no degree beyond high school earning low wages.) With baby boomer retirements exceeding the number of new workers, we need to find ways to build productivity and skills for workers who are already in jobs, but need more skills. With focused training, those employees can move ahead in ways that will answer our needs. And that means the state economy can move forward faster.

To date, Wisconsin Industry Partnerships have already yielded significant successes. The attached documents make the scale and effect of these investments clear. Importantly, state resources are joining philanthropic resources in Wisconsin Rapids and Milwaukee, where

Workforce Central and the Milwaukee Area Funding Alliance are **building a model of philanthropic engagement that could be replicated throughout the state.**

Dozens of states – found in every region of this nation -- have invested in thousands of projects to achieve these ends. The benefits to employers, employees, and the public system itself are clear. Employers across the nation, private philanthropy, and the federal government are all investing in this work. Wisconsin can and should continue to be at the forefront of innovation through Industry Partnerships.

We offer this recommendation for continued work in this area because we have worked hard to help build a stronger system in the state through our service on the state's Council on Workforce Investment. This strategy offers us a new role and relationship to the public resources dedicated to skills and workforce in the state, and it creates opportunities to build the skills that our workers need in ways that answer employer needs as well. We are convinced that this is the right direction for Wisconsin, for both the state's employers and workforce, and the positive results we are already seeing can be amplified over the coming years.

We look forward to discussing this with you and continuing to build this system throughout the coming years of your administration.



Tim Sullivan, President and CEO, Bucyrus International Inc.



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Attachments