

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 A.M. on February 25, 2008 in Room 123-S of the Capitol.

All members were present except:

Jean Schodorf- excused
Susan Wagle- excused

Committee staff present:

Jennifer Thierer, Kansas Legislative Research Department
Norm Furse, Revisor of Statutes
Jason Long, Revisor of Statutes
Jackie Lunn, Committee Assistant

Conferees appearing before the committee:

Dr. Ed Berger, President, Hutchinson Community College
Dr. Terry Calaway, President, Johnson County Community College
Joe Glassman, Chairman, Kansas Board of Regents Technical Education Authority
Andy Solter, Kansas Career Pipeline
Stan Ahlerich, President, Kansas, Inc.

Others attending:

See attached list.

To read testimony submitted by conferees go to

<http://skyways.lib.ks.us/government/KansasSenateCommerceCommittee>.

Chairperson Brownlee stated the meeting today is an informal roundtable discussion on workforce development in Kansas and welcomed the special guests, (shown above) asking each to introduce himself. Upon the conclusion of introductions, Chairperson Brownlee started the discussion by asking the following question: "How are each of your institutions connecting with the business needs that our state has?"

Dr. Terry Calaway, President, Johnson County Community College, was the first to answer. Dr. Calaway stated one of the ways Johnson County Community College is connecting is with the Technical Education Advisory Council. The councils are connected with specific program areas and they work with employers who keep them on track and aware of what is happening within their employment community. They are also involved with post graduates and with surveys to help them stay connected to the business employers needs of the state.

Dr. Ed Burger, President, Hutchinson Community College answered next. He stated Hutchinson Community College is basically doing what Johnson County Community College is doing. In the 1980's they were making calls throughout the business community talking to them about the importance of training. Now the business community is coming to them wanting training and wanting to provide that training. He went on to say that there is a workforce shortage in his area. Hutchinson Community College had a manufacturing summit in late January in an effort to find what the manufacturing needs are in the surrounding counties. During that summit, it was determined that the biggest need was to integrate the high school graduate not going on to a four year school into the workforce.

Andy Salter, Kansas Career Papering, answered next. He stated the Kansas Career Pipeline has several components and one is working with secondary institutions and students. They are also beginning to form partnerships with the business communities.

Joe Gasman, Chairman, Kansas Board of Regents Technical Education Authority, answered next. He stated from the state authority aspect they do not get as involved as the community colleges. They are currently assessing the needs of the local areas setting goals and objectives to meet their needs. The process of the two highly respected colleges which are here today, serve as models. Mr. Gasman stated technical education has a new vibrancy throughout Kansas and the United States. The Technical Education Authority is looking to

CONTINUATION SHEET

MINUTES OF THE Senate Commerce Committee at 8:30 A.M. on February 25, 2008 in Room 123-S of the Capitol.

the community colleges to find out how they access business and economy in their areas and how well their advisory groups professionally report. They are also trying to get business and industry involved feeling if they do it will raise the standards of excellence. Mr. Gasman believes they need to have an extensive study so they will know what they are dealing with before they can try to solve the problem. They are trying to get more input from business owners which will allow them to do strategic planning.

Chairperson Brownlee called on Stan Aldrich, President, Kansas, Inc. asking about the strategic studies Kansas, Inc. has done. Mr. Aldrich stated they had probably done fifteen studies in this area working with several groups across the state and found that businesses are ready and willing to go the extra mile. Mr. Gasman answered by saying there is a lot of information out there and they have realized it will take a coordinated effort and to do so have asked the Department of Commerce and the Department of Labor to start fulfilling a report status. They also plan to utilize Kansas, Inc.

Dr. Calaway joined the discussion stating several things are happening because of the efforts of the Board of Regents Technical Education Authority's work. Dr. Calaway also stated that it is not just getting the high school graduate into the workforce but there are a number of folks, as technology has changed, that need retraining. There is a need to build a system that connects all across the state and some progress has been made in that direction but it has been slow.

Dr. Berger joined the discussion stating one of the causes of the workforce shortage is there are more companies that have had to introduce technology to be competitive which requires them to require a better trained workforce.

Mr. Aldrich entered the discussion stating there are good things that are happening and all the pieces are in place, but the connectivity is missing. Mr. Aldrich referred the Committee to the Alabama model. Mr. Aldrich presented written copy (Attachment 1) which can be found in its entirety on the link shown on page 1 of these minutes. He stated the Alabama system has a central agency which assigns a project coordinator for each company committing to locate in Alabama. The Coordinator assesses the needs of the business relating to workforce development and act accordingly to meet these needs.

The discussion continued with Committee members entering. The discussion moved to the secondary and post secondary schools and if they are coordinating efforts in the direction of workforce development. Mr. Gasman noted that changes are coming. There is a communication barrier and it has been difficult to obtain the data needed for them to make intelligent decisions regarding workforce development in the state. He stated that the sharing of information with the Technical Education Authority is a problem and they may need help breaking down the walls of communication barriers. The mind set of technical training needs to change. He stated the K-12 education system through the post secondary education is coming on board and beginning to support technical education. Mr. Gasman stated they need to have the future forecast from the businesses in order to address the workforce development needs for now and in the future. He stated that 85,000 high tech jobs will be needed in the aircraft industry by the year 2020.

Mr. Caraway entered the discussion and stated they need to identify the largest training needs of businesses in Kansas; they need to know how to deal with changes in the industry that cause customized workforce development training. There is a need to do marketing throughout the state regarding the kinds of technical occupations that will be available in the future. They need to find a way to have connectivity so they can provide the best workforce in the state. He added that one of the biggest issues is how to get to the parents and change their mind set regarding technical training and changes also need to be made in the K-12 school system involving the availability and need for technical education.

Chairperson Brownlee thanked the special guests and stated if they wanted to submit written comments to the Committee they could. Mr. Gasman stated he would have written summation in two weeks.

Chairperson Brownlee adjourned the meeting with the next meeting scheduled for ~~March~~ ^{February} 26, 2008, at 8:15 a.m. in room 123 S.

Workforce Development

Mission – Create a demand-driven workforce development system that meets the needs of the business community.

Introduction

There is a mismatch between what is coming out of our educational institutions and what is needed by the business community – there is also a systematic problem with individuals being educated in Kansas and then leaving the state. Business and industry will follow the talent – we must communicate with students and parents so they are aware of opportunities in Kansas.

- Statewide Cell Members, 2007 Strategic Planning process

Workforce development issues were heard in nearly every Cell meeting across the state. There appears to be a misalignment between supply and demand of educated workers. Forecasts predict a shortfall of workers in the coming years. Kansas must ensure a skilled pipeline of workers to fulfill employer needs, but people felt as though Kansas was losing its college graduates and educated workforce. It was repeatedly heard that we need to retain what we have and attract people to our state.

Three common themes and areas of focus were identified: training, attraction and retention, and lifelong learning and portability of education.

Training issues encompass the secondary educational system, postsecondary educational system (community colleges, technical colleges, and universities), and customized business training (non-credit training provided by state, federal, or business funded programs). A focus is placed on technical education as the undersupply of workers is more often related to technical occupations requiring less than four years of postsecondary education.⁵⁴

The state funded portion of customized training is specifically addressed in this plan. Though the federally funded Workforce Investment Act brings over \$20 million into the state each year, these programs are compliance driven and lack the flexibility to differentiate our state. Alignment of the postsecondary education system with the demands of businesses is emphasized. Efforts to make seamless transitioning possible between secondary and postsecondary education and from institution to institution are supported.

Nationwide low unemployment indicates Kansas needs to attract and retain college graduates and workers. There should be a focus on potential non-traditional or alternative populations including military, immigrants, the aging population, and disabled citizens. Kansas exports workers, we need to be more creative and have the tools necessary to keep individuals here.

An increased focus on lifelong learning and portability of credits was also emphasized as workers require skills upgrades or pursue continued education or professional and advanced degrees. Students should be able to seamlessly transition through all levels of education to build upon their capacity.

The goal should not be to simply prepare people for the job openings of today and the next four to five years. The goals should be to: ensure everyone has the foundation skills to enable them to engage in lifelong learning; prepare all learners and workers to be agile in the economy; focus on certifying skill and knowledge sets.⁵⁵

⁵⁴ *Positioning Kansas for Competitive Advantage, Aligning Key Industry Clusters and Occupations with Postsecondary Education and Workforce Development*, Corporation for a Skilled Workforce (CSW) for the Kansas Department of Commerce, Kansas, Inc., and the Kansas Board of Regents, September 2007.

⁵⁵ Ibid.

Senate Commerce Committee
February 25, 2008
Attachment 1-1

Strategy 29 – Enhance the structure of the customized training system to meet the immediate specialized needs of businesses.

Several states have repeatedly been recognized for having exceptional workforce development programs. Alabama, Georgia and North Carolina are among the states that have been recognized.⁵⁶

A common component in each of these systems is the practice of taking the burden of sourcing employee training off a business. Though program structures may vary, one commonality is the business simply contacts a central clearinghouse, their training needs are assessed, and customized training is designed and implemented with oversight provided by the state clearinghouse. Trained and capable workers are then delivered to the business without the worry of training details – they know the state system has delivered qualified, quality workers within the desired timeframe.

Based on best practice models seen in other states and utilizing the existing infrastructure and tools in Kansas, the following customized training system outlined in Strategy 29 was designed to enhance the structure of the current workforce training system to better meet the specialized needs of businesses while efficiently and cost effectively achieving the desired outcomes for the Kansas workforce.

29-1 Use state resources to design and implement customized training programs that deliver skilled employees to qualified requesting companies in a timely and cost effective manner.

Simplified, this system would take business input regarding training needs and the number of desired employees and utilize state resources to design and implement a training program. This would save the business from having to utilize valuable resources to investigate training options. The system would deliver the desired number of qualified employees to the business in a timely, cost effective manner.

A highly visible clearinghouse or point of entrance into the customized training system should be established separate from the Department of Commerce Workforce Development Division. A new entity, referred to in this report as the Workforce Aligned with Industry Demands (Workforce AID Office), headed by an Executive Director is recommended. The Workforce AID Office would refer businesses to the Regional Directors of Workforce Services (existing Commerce positions) serving each of the five local areas. The Regional Directors would still be under the direct supervision of the Deputy Secretary of Workforce Development, however, in the new system would work closely with the Executive Director of the Workforce AID Office to administer workforce training programs.

Regional Directors would work in concert with training partners to ensure businesses receive the quality and quantity of workers requested. Training would be provided where available, on the open market with emphasis on partnerships with Kansas postsecondary technical education institutions. Similar to current programs, there would be prerequisites for businesses qualifying to use the programs, but qualifications would be broadened for certain workforce development programs to ensure more companies could be served.

⁵⁶ *Expansion Management*, a monthly business magazine that covers economic development, site selection, business climate, and business relocation and expansion, annually has site location experts rank the states with the best workforce training incentive programs. The magazine has routinely ranked these states in the top ten in the U.S.

29-2 Establish an executive management position with administrative and oversight responsibilities to oversee specialized workforce training programs. Employment will be shared between the Department of Commerce and Board of Regents.

For coordination of the customized training system there must be an executive management position with administrative and oversight responsibilities regarding specialized workforce training programs. The Executive Director will oversee all Workforce AID Office training programs to ensure businesses workforce demands are being met. The Executive Director will ensure coordination between the existing Regional Directors of Workforce Services (Commerce) and the college liaison (community and technical colleges). The Executive Director will have oversight and authority of programs within the customized training system and will possess the skills necessary to assist in identifying the needs throughout the state.

The system will foster coordination and cooperation between the Department of Commerce and the Board of Regents, aligning business demands with workforce training. The position should be funded jointly and report directly to both agencies. The Executive Director of the Workforce AID Office could be created as a new position between Commerce and Regents or the responsibilities of the current liaison⁵⁷ between the two agencies could be modified to accommodate this position. The Secretary of Commerce and the President & CEO of the Board of Regents will have direct oversight of the Executive Director of the Workforce AID Office.

29-3 Approval for all viable workforce projects will come from the Secretary of Commerce and the President & CEO of the Board of Regents.

Training can be offered through community colleges, technical colleges, in-house company training or third party vendors, so it is imperative both the Department of Commerce and Board of Regents agree regarding the training program design that most efficiently and effectively meets the needs of the business. Once a program has been designed by the Regional Director and college liaison and approved by the Executive Director of the Workforce AID Office, it should then be subject to approval by the Secretary of Commerce and the President & CEO of the Board of Regents.

29-4 Create an executive management position over workforce development at each postsecondary technical education institution that reports directly to the President of the respective institution to design and implement customized workforce training.

This position, referred to as the college liaison position could be created as a new position or could be accommodated by modifying the responsibilities of an existing position.⁵⁸ Regardless, it is paramount this liaison is positioned at the highest possible level to which they report directly to the President of the respective institution.

The college liaison will have two primary responsibilities: 1) work with the Regional Directors of Workforce Services to design and implement workforce training programs for businesses with the assistance of the Workforce AID Office and funds; and 2) ensure local industry training demands are being met.

The college liaison would have knowledge and expertise regarding all programs currently offered by the institution, including the institution's capacity to alter programs to meet the specific needs of businesses. The college liaison would also be familiar with training options outside the institution if private industry offered a better alternative. The college liaison would also work with the Vice President of Workforce Development (Executive Director of the Postsecondary Technical Education Authority) to align each institution to meet the ongoing needs of businesses.

⁵⁷ The Director of Workforce Training and Education Services currently serves as a liaison jointly funded by Commerce and Regents.

⁵⁸ In many institutions there may already exist a senior institutional official whose responsibility is focused on economic/workforce development.

29-5 Create an infrastructure that establishes a seamless partnership between the Regional Directors of Workforce Services (Commerce) and the executive management positions over workforce development at each postsecondary technical education institution.

Once the Regional Director of Workforce Services assesses the training needs of a business, they will determine the appropriate community or technical college that can most effectively provide the training. The Regional Director and subsequent college liaison will then provide a thorough assessment of the business's training needs and design a workforce training program that meets the needs of the business to achieve the desired outcomes. Once the program has been approved by the Executive Director of the Workforce AID Office, the Secretary of Commerce and President & CEO of the Board of Regents, the Regional Director and college liaison will implement the training program and ensure the business receives the quantity and quality of trained workers in a timely, cost effective manner.

29-6 Designate \$12-15 million in funding that supports the customized training for this strategy.

A consistent funding stream must be present to ensure the system's success. A budget of approximately \$12-15 million is recommended, with a portion of funds designated specifically for state-implemented training programs. Administrative costs would be minimal, as several key personnel⁵⁹ already exist in the current structure. A portion of funding would be dedicated to marketing the programs to prospective businesses and potential trainees when the programs were being implemented. Workforce development programs are not new to Kansas. This model is a modification of the service delivery model, and it would be possible to use current workforce development funds.⁶⁰

Strategy 30 – Align the education system with the needs of industry through funding incentives and the tangible partnering of state educational institutions with industry opportunities.

30-1 Support the Postsecondary Technical Education Authority in aligning community and technical college programs with the demands of businesses.

The Postsecondary Technical Education Authority was created by recommendation of the Kansas Technical College and Vocational School Commission by the 2007 Senate sub. for House Bill 2556. The Authority is charged to provide accountability for the postsecondary technical education system and improve alignment between secondary and postsecondary educational institutions.

Comprised of 12 members, the Authority will: coordinate statewide planning for existing and new postsecondary technical education programs and contract training; review existing and proposed postsecondary technical education programs; review requests of state funding for postsecondary technical education and make recommendations to the State Board of Regents for funding amounts and distribution; develop benchmarks and accountability indicators for the program; develop and advocate annually a policy agenda for postsecondary technical education; and conduct studies of ways to maximize resources to best meet the needs of business and industry, making recommendations to the State Board of Regents.

⁵⁹ Including Regional Directors and some college liaisons. The Executive Director of Workforce AID could potentially be created by adding responsibilities to the current liaison position funded jointly by Commerce and Regents.

⁶⁰ Current programs include KIT, KIR and IMPACT; however, not all IMPACT funds are used for training as it is recognized that the MPI (Investments in Major Project) portion is important for business development and a dedicated portion of total IMPACT funds should be available for these purposes.

1-4

30-2 Encourage a structural funding change that provides incentives for colleges to offer high-demand, high-cost courses and special funds allowed for expensive equipment purchases.

Many technical occupations experiencing skill gaps require expensive equipment and small student/instructor ratios. Currently Kansas may provide limited, but not broad-based incentives for high-cost training in high-demand occupations. Adjusting the funding formulas for various programs and coursework, depending on the supply/demand ratios and restricting certain funds and scholarships to training for occupations in high demand occupations may address these shortages.⁶¹

The Kansas Technical College and Vocational School Commission studied this issue and recommended the addition of \$38.5 to \$41.5 million for technical education in FY 2008.⁶² The full amount was not appropriated by the Legislature; however, the 2007 appropriations bill designated \$4.0 million to be used for new technical equipment grants. The Authority will review and make recommendations on grant awards, subject to final approval from the Kansas Board of Regents.

Despite the allocation for equipment funds, there is still a structural funding issue in Kansas for high-cost technical education. The Commission and Authority should continue to pursue these issues and work to develop and implement a plan that will provide incentives to institutions to provide high-cost training for high-demand occupations.

30-3 Support the Kansas Technical College and Vocational School Commission.

The Kansas Technical College and Vocational School Commission (Commission) was formed by the 2006 Legislature to study the mission, governance and funding of Kansas technical colleges and vocational education schools.

The Commission recommended the mission for each postsecondary technical education institution should provide opportunities for students to attain their educational goals; provide an educated workforce to meet the demands of the Kansas economy; be responsive to the education and training needs of business and industry; provide quality technical training, customized industry training, and continuing education; and provide a totally integrated educational opportunity for students who matriculate from high school through certificate, associate, and baccalaureate programs. The Commission will serve as an oversight body to the Postsecondary Technical Education Authority.

30-4 Routinely study and benchmark the alignment of all levels of the educational system with the demands of businesses.

To align the education system with the needs of industry, it is necessary to first identify the needs of business and industry. The Kansas Department of Commerce, Kansas, Inc., Kansas Board of Regents, and the State WIA Board commissioned the report *Positioning Kansas for Competitive Advantage: Aligning Key Industry Clusters and Occupations with Postsecondary Education and Workforce Development* during 2007 to identify these needs.

The report identifies possible misalignments between the postsecondary system and business needs. According to the report, states that succeed in aligning supply with demand will be the most competitive in attracting, retaining and growing their competitive advantage nationally and globally. The dynamics of the Kansas job market are fluid and are continually changing, as supply and demand are not static in nature. These dynamics must be routinely studied and benchmarked to ensure the workforce demands of businesses can be met through the supply of workers provided by the Kansas educational system.

⁶¹ See *Positioning Kansas*, p. 59.

⁶² The Commission recommended that \$16.5 million be added to support a new funding methodology to align rates with program delivery costs, \$5.0 to \$8.0 million be added for additional enrollments in technical education, \$8.0 million be added for technology and equipment funding for technical education, \$5.0 million for a start-up pool to create a new mechanism to fund new statewide priorities and initiatives as they emerge, \$3.0 million be added for a business and industry training pool for short-term (non-credit) training, and adding \$1.0 million to strengthen state support for technical education.

Strategy 31 – Build capacity by retaining and attracting a skilled and educated workforce.

31-1 Ensure the state equips primary and secondary students with the skills necessary to pursue education and employment opportunities, with the focus being on STEM (Science, Technology, Engineering, and Math) fields.

To ensure a supply of educated workers in Kansas, our primary and secondary educational institutions must sufficiently prepare students for postsecondary education and career opportunities in Kansas. Educators must begin this process at a younger age. The focus of this process should be on future career opportunities and the best path to attain that goal. Student aptitudes and interests should be matched with business demands to ensure student success.

Potential tools to assist this process include the Kansas Career Pipeline (KCP) and the Olathe 21st Century High Schools Program. STEM (Science, Technology, Engineering and Math) fields are visible in the KCP and Olathe 21st High Schools Century Programs, and are major drivers for the Kansas economy. Another example program is the Kansas Academy of Mathematics and Science (KAMS)⁶³, a new way of preparing students in STEM fields, designed for high school juniors and seniors talented in science and math to enroll in a two-year program of study culminating in both a high school diploma and college credits equivalent to an associate's degree.

31-2 Support and facilitate business interaction with postsecondary students through scholarships, internships, and job shadowing. Businesses should be an active partner with educational institutions in regards to career curriculum, guidance, and opportunities and could be awarded with potential tax incentives or credits.

Interaction between students and businesses must occur at the postsecondary level. To retain Kansas graduates they must have interaction with businesses to inform them of career opportunities. Businesses should partner with postsecondary educational institutions to ensure career curriculum alignment, guidance and opportunities are made available to students. Scholarships, internships and job shadowing are ways for businesses to interact with students. Programs such as the Kansas Career Pipeline can be used to connect postsecondary students with businesses using tools such as e-mentors, summer jobs, apprenticeships, job training, scholarship, and eventual employment.

31-3 Provide incentives that encourage students to remain in Kansas for postsecondary education and careers.

Being an importer of postsecondary students, Kansas has the opportunity to build incentives into its education structure to retain a larger percentage of graduates in the state if we can match them up with the desirable career opportunities.

To build a qualified workforce, Kansas must continue to attract and retain postsecondary graduates. Offering scholarships, loan repayment, in-state tuition, etc. may help retain more graduates. Offering in-state tuition to students from surrounding states or former residents could provide some incentive to come to and potentially stay in Kansas. Research could provide further insight into incentives and other methods of attracting and retaining a larger percentage of Kansas graduates.

⁶³ An RFP was issued to Kansas public postsecondary educational institutions during 2007 and a final decision will be made during 2008. Responding institutions will describe the specifics of the operation of KAMS and provide a detailed budget. The recipient of the award will receive \$100,000 to finalize plans for the Academy. The Board of Regents 2007 legislative agenda includes implementation of the Kansas Academy of Mathematics and Science.

31-4 Design a Leadership Kansas-type program that incorporates entrepreneurial and leadership experience into our educational system.

Entrepreneurship and leadership are a few of the characteristics our youth should be exposed to at a younger age, and these types of opportunities should be built into our educational system. Programs that serve as catalysts for the continued development of entrepreneurship and leadership should be created to target Kansas youth. Existing program models, such as the Leadership Kansas⁶⁴ Program could be utilized to target students.

31-5 Market business and career opportunities in Kansas to all prospective individuals.

Many opportunities exist to market business and career opportunities in Kansas to specific groups including: graduates, older citizens, military, immigrants, and disabled citizens. Targeted marketing campaigns and programs, such as the Helmets to Hardhats⁶⁵ program may make these populations aware of the opportunities. Kansas should actively encourage participation in these types of programs.

Innovative concepts will help equip our students with the skills they need to succeed during their careers. Kansas exports workers; we need to be more creative and have the tools necessary to keep individuals here.

31-6 Market postsecondary technical education opportunities and careers by targeting students, parents, educators and counselors.

In March of 2007, the Kansas Technical College and Vocational School Commission submitted a report to the state legislature, stating that only 20 percent of current jobs require a four-year degree and there is an increased demand for skilled workers.⁶⁶ There is a shortage of workers for jobs requiring only a technical degree.

The focus of high-school counselors seems to be on enrollment into four-year institutions. Students, parents, educators and counselors must be aware of the potential opportunities that exist with careers requiring technical degrees. We must market and educate these opportunities to help address our workforce shortages by developing a message campaign that highlights the importance of postsecondary technical education and specific skill sets.

31-7 Study and develop workforce solutions for the aging population and immigrants.

Workforce shortages are becoming an issue not only in Kansas, but throughout the U.S. Opportunities for recruiting alternative or non-traditional workers, such as the older population and immigrants may provide a solution to this issue. Workforce solutions must remain flexible enough to accommodate these workers. Further study of these issues may produce innovative ways to recruit and accommodate a non-traditional workforce in Kansas.

⁶⁴ Leadership Kansas is a statewide program designed to enhance and motivate current and future leaders from various communities. Participants engage in educational and informational training sessions in six Kansas communities over the course of a year, with discussion surrounding various topics including business, education, agriculture, public policy, societal health and development, economics, and government.

⁶⁵ Helmets to Hardhats is a national program that connects National Guard, Reserve and transitioning active-duty military members with quality career training and employment opportunities within the construction industry. The program is administered by the Center for Military Recruitment, Assessment, and Veterans Employment and headquartered in Washington, D.C. Direction for management of the center comes from a board of trustees comprised of equal numbers of employer and labor trustees.

⁶⁶ See *Positioning Kansas*, p. 59.

Strategy 32 – Encourage and provide lifelong learning opportunities.

32-1 Provide an educational continuum that allows students of all ages to seamlessly transition through all levels of education and training.

A goal of the education system should be to ensure all individuals have the foundation skills to enable them to engage in lifelong learning. Aligning postsecondary education with K-12 education and workforce development helps address the disconnect among different levels and players to build a learning continuum.⁶⁷ An important talent development strategy for Kansas should be to focus on an educational continuum that promotes seamlessness as an individual enters, transfers through and exits the educational system to encourage lifelong learning for all Kansans.

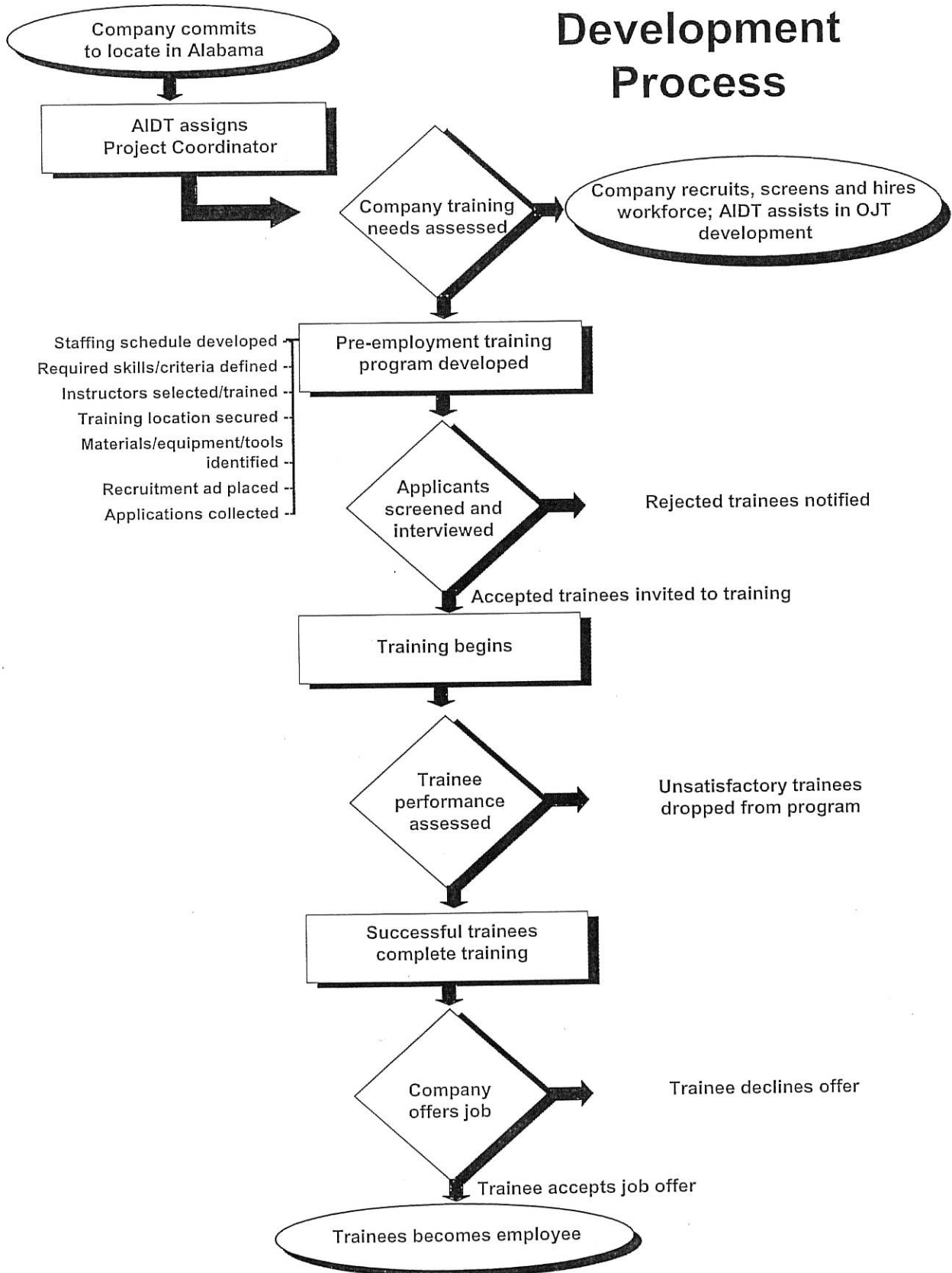
Individuals should be able to progress through the education system, entering and exiting as desired without substantial penalty, from K-12 to advanced degrees. High school graduates should be able to transition into postsecondary education (technical colleges, community colleges, universities) without the loss of any advanced or training credits earned. Customized training⁶⁸ should transfer into various certificate credits. Certificate credits should easily be transferable into associate's degrees, associate's degrees into four-year institutions, and on to advanced degrees. Credits should be easily transferable from institution to institution, which could be facilitated through a common course numbering system.


⁶⁷ See *Positioning Kansas*, p. 59.

⁶⁸ Customized training is defined as traditionally non-credit short-term training to fulfill a specified need. This would include company training and specific programs offered by the state to companies to fulfill workforce demands.

Alabama Industrial Development Training Process Flowchart

AIDT Workforce Development Process






Workforce Development

Mission – Create a demand-driven workforce development system that meets the needs of the business community.

Areas of Focus for Workforce Development

- 1. Training**
 - Secondary
 - Postsecondary
 - Technical colleges
 - Community colleges
 - Universities
 - Customized business training
- 2. Attraction & Retention**
 - Low unemployment nationwide
 - Potential populations
- 3. Portability & Lifelong Learning**
 - Skills upgrade
 - Continuing education
 - Professional and advanced degrees



Customized Business Training

Strategy 29 – Enhance the structure of the customized training system to meet the immediate specialized needs of businesses.

- Use state resources (funds and personnel) to design and implement customized training programs that deliver skilled employees to qualified businesses in a timely and cost effective manner
- **Designate funds (\$12-15 million) to be used exclusively for customized business training**

Postsecondary Training

(Technical and Community Colleges)

Strategy 30 – Align the education system with the needs of industry through funding incentives and the tangible partnering of state educational institutions with industry opportunities.

- Postsecondary Technical Education Authority
- Structural funding change
- Funds for expensive equipment purchases for high-demand, high-cost courses

Attraction & Retention

Strategy 31 – Build capacity by retaining and attracting a skilled and educated workforce.

- Prepare students for education and employment opportunities, focusing on STEM (Science, Technology, Engineering, and Math) fields
- Business involvement in education
- Incentives to attract and retain postsecondary graduates
- Market
 - Business and career opportunities in Kansas to all prospective individuals
 - Postsecondary technical education opportunities and careers to students, parents, educators and counselors

Portability and Lifelong Learning

Strategy 32 – Encourage and provide lifelong learning opportunities.

- Educational continuum allowing seamless transition through all levels of education and training

Customized Business Training

Specialized business training to meet the specific needs of new and existing businesses of all sizes:

- Flexible
- Responsive
- Accountable

Designed for new employees

Customized Business Training

How are other states meeting the workforce needs of businesses?

Recognized States

- Alabama
- Georgia
- North Carolina

Common Components

- Visible Central “Clearinghouse”
- Training needs assessed by state resources
- Customized training designed and implemented using state resources
- Trained and capable workers delivered to the business

Dollars Spent by Other States

- **Alabama** – *Alabama Industrial Development Training (AIDT)*
 - \$7.0 million allocated in FY 2006
 - 13,417 individuals trained FY 2006
 - This program employs many people including Director of AIDT and 14 Project Managers and operates training facilities.
- **North Carolina** – *New and Expanding Industry Training (NEIT)*
 - \$9.0 million FY 2007 (+ \$½ million for media development)
 - 19,380 individuals trained FY 2007
 - Budgeted money is exclusively for training, Regional Training Directors are state employees through the NC Department of Community Colleges and college NEIT Directors are employees of respective community colleges

Kansas

Where we are now
and how to get where
we could be...



Current Components of Workforce Development

FEDERAL

WIA – Workforce Investment Act
Every state receives money from the federal government
Local control by federal design
Compliance driven

STATE

KIT
Kansas Industrial Training
KIR
Kansas Industrial Retraining
IMPACT
Investments in Major Projects and Comprehensive Training

EDUCATION

Kansas Board of Regents
↓
Postsecondary Technical Education Authority
↓
Community Colleges & Technical Colleges

Federally Funded Program **Workforce Investment Act**

- FY 2006 Kansas received \$25.2 million from federal government
- Compliance-driven, must meet federal performance goals
- Heavy administrative costs (built into federal legislation)
- Recent improvements
 - Staff & Board training
 - Statewide marketing
 - Dedicated training expenditures
 - Improved remote access
 - Meeting performance goals

State Funded Program **KIT – KIR – IMPACT**

- Performance training agreements (grants) – awarded upon promise of training and hiring specified number of employees
- KIT and KIR are valuable tools for business (FY 2006 = \$2.2 million)
- IMPACT used for major project investments (MPI) and/or training
- IMPACT limited to large companies
- Training secured by company or through postsecondary technical education institutions

Education

Postsecondary Technical Education Authority

- Created by 2007 Legislature
- Serves as accountability for the postsecondary technical education system
- Coordinates postsecondary technical education programs and contract training
- Reviews existing programs
- Reviews and make recommendations for state funding
- Benchmarks and serves as accountability for programs
- Conducts studies to maximize resources in order to meet the needs of Kansas business and industry
- Increases seamlessness between secondary and postsecondary educational institutions

Three Separate Components

FEDERAL

WIA

- Federal dollars
- Designed to give control to local Workforce Investment Boards
- Programs limited to what is allowed by federal legislation
- Compliance driven

STATE

KIT – KIR – IMPACT

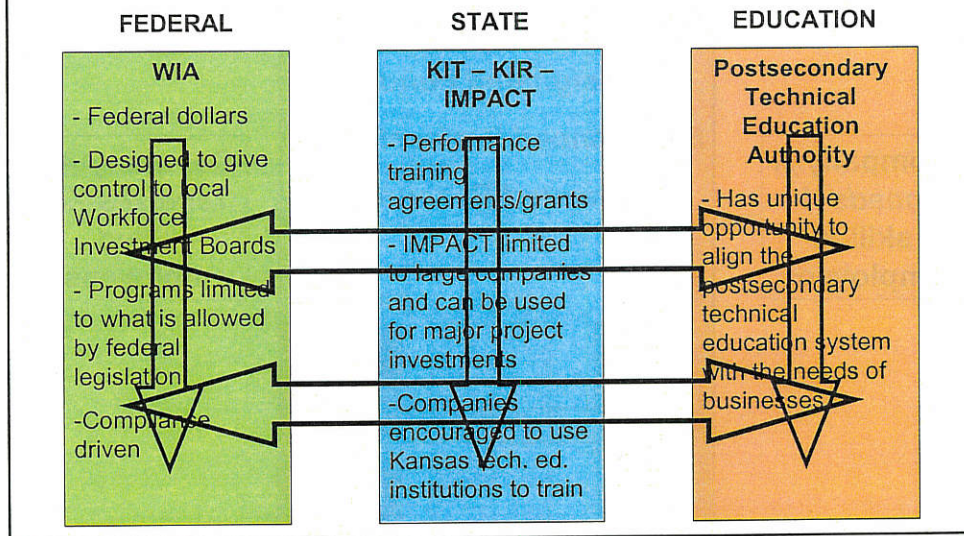
- Performance training agreements/grants
- IMPACT limited to large companies and can be used for major project investments
- Companies encouraged to use Kansas tech. ed. institutions to train

EDUCATION

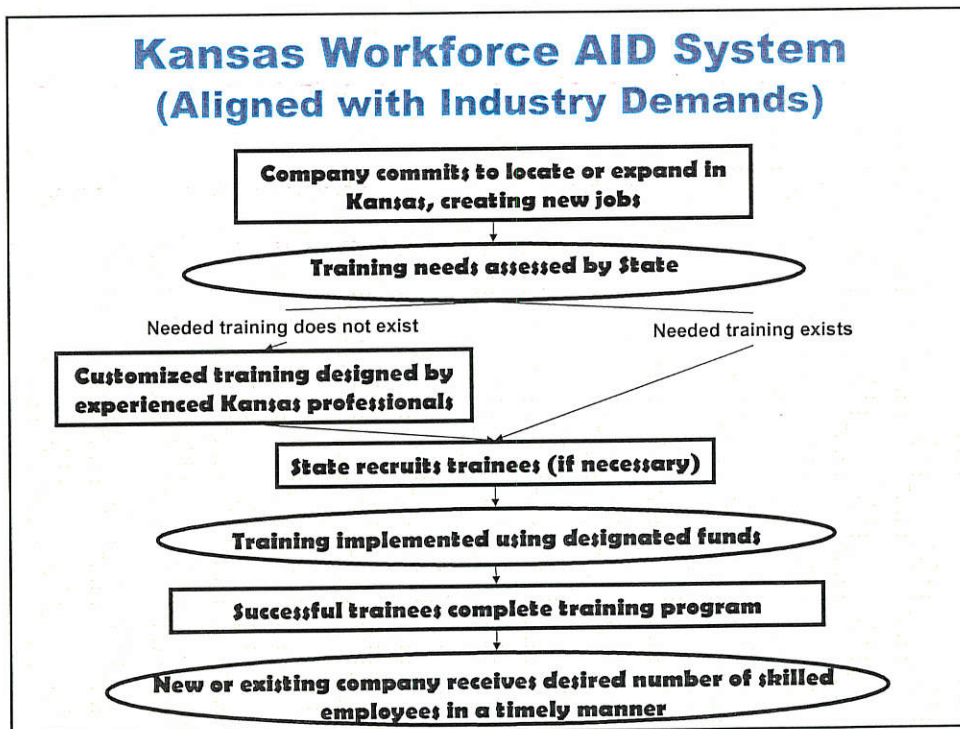
Postsecondary Technical Education Authority

- Has unique opportunity to align the postsecondary technical education system with the needs of businesses

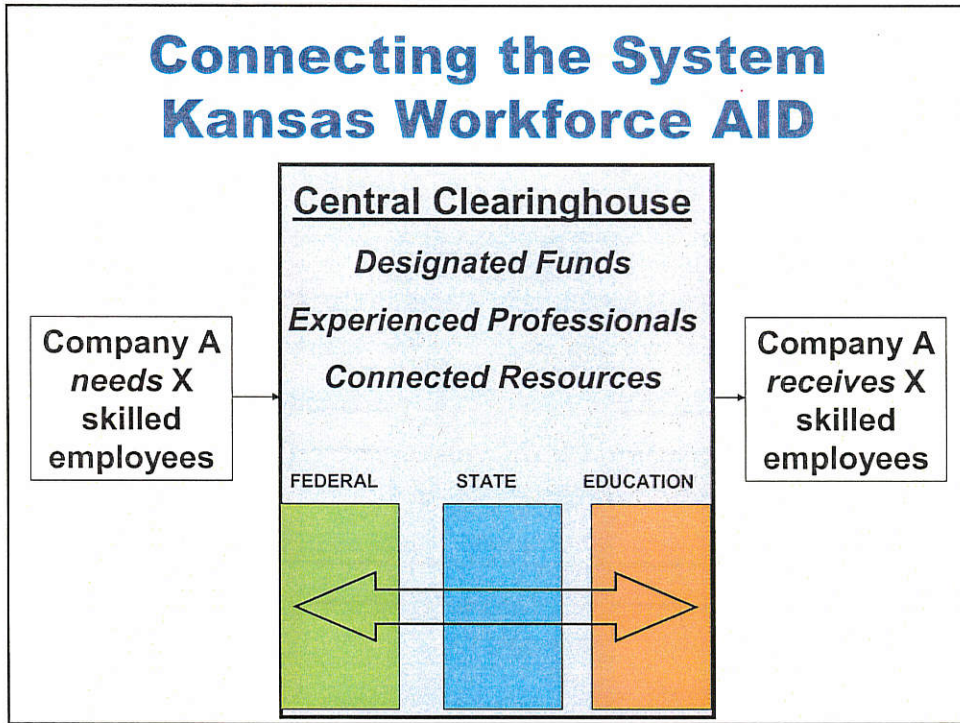
To meet business demands Kansas needs horizontal connectivity



Kansas Workforce AID System (Aligned with Industry Demands)



Connecting the System Kansas Workforce AID



Enhanced System

