

WORKFORCE ARIZONA COUNCIL – STATE PLAN TASK FORCE AGENDA

Wednesday, February 14, 2018, 1:00 p.m. – 3:00 p.m.

100 N 15th Avenue, Phoenix, AZ 85007, Suite 101
1.877.820.7831 Access Code: 103468

Members

Dawn Grove – Karsten Manufacturing
Michael Traylor – Department of Economic Security
Sandra Watson – Arizona Commerce Authority
Sheryl Hart – Arizona Department of Education, Adult Education

- 1. Welcome and Introductions**
- 2. Call to the Public**
- 3. Review of Proposed State Plan Modifications**
 - a. Overview of In-Demand Industries and Occupations**
 - b. Discussion of Employer Measures**
 - i. Vote to Recommend Council Approval of Updated Employer Measures**
- 4. Vote on Recommendation for Council to Adopt State Plan Modifications**
- 5. Adjournment**

*Pursuant to A.R.S. § 38-431.02, notice is hereby given to members of the Workforce Arizona State Plan Task Force and to the general public that the Task Force will hold a meeting, open to the public, on **Wednesday, February 14, 2018 at 1:00 p.m.** in the Office of Economic Opportunity, 100 N. 15th Ave, Suite 103. For more information, please call (602) 364-0430.*

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Sandra Watson – Arizona Commerce Authority
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1. Welcome and Introductions

The State Plan Task Force was called to order at 1:15 P.M. Ms. Grove provided a brief welcome, thanked Gretchen Corey of the Office of Economic Opportunity for her work on the State Plan modifications, and stated the State Plan contained Governor Ducey's strategic vision for the system.

2. Call to the Public

Ms. Grove welcomed comments from the public. No comments were made.

3. Review of Proposed State Plan Modifications

The Task Force provided of why modifications were made to the State Plan and introduced Ms. Corey to explain more. Ms. Corey, spoke about a workgroup that was convened to address the modifications to the State Plan. Ms. Corey commented on the collaborative effort of the workgroup to meet deadlines and present the modified State Plan. Ms. Corey commented that the strategy section of the State plan was not changed or modified, and that such changes could be made in the next iteration of the state plan. Ms. Corey presented the federal instructions for what must be included in the state plan, including the template used, to show the detail necessary within the plan. Ms. Corey then provided a high-level overview of the most significant changes to the plan.

- The workforce system organizational chart was updated.
- Language was included that showed the collaborative efforts within the system, example of the Council's leadership/endorsements.
- Labor Market information was updated.
- Information on the Labor Market dashboard project was included.
- Language on in-demand and emerging industries was included.

a. Overview of In-Demand Industries and Occupations

Doug Walls of the Office of Economic Opportunity presented on the methodology used to identify in-demand and emerging industries. Mr. Walls expressed the importance of this data to the local areas for use in programming,

- direction/allocations of funding. Mr. Walls defined in-demand industries and presented a handout that showed the in-demand industries in the State.
- Ms. Grove asked if the in-demand industries identified using this methodology matched the priority industries identified by the Arizona Commerce Authority. Mr. Walls stated that the methodology was different, so there may be differences, but there may also be significant overlap. Ms. Grove and Sandra Watson stated that consistency moving forward will be essential and commented on the creation of an “intentional strategy” to align research. Ms. Watson commented that Mr. Walls and his team could collaborate with the research team at ACA to do so.
 - Ms. Watson asked how often the State Plan could be modified. Ms. Corey stated that the state plan could be modified as often as desired by the Council, but at this time, was a necessary modification required by the Dept. of Labor.
 - Ms. Watson asked about “disruptive industries” using cyber security as an example. Ms. Watson stated that these industries will not appear as in-demand at the current time. Mr. Walls stated that those industries will have to rely on “local area champions” to move forward.
 - Ms. Watson asked if this data was a guideline or if it is a final product that drives the system. Mr. Walls explained that the data was a final product, but ultimately served as a guideline.
 - Ms. Grove asked if the formulas/methodology used supported real-life actualities. Ms. Grove used the net gain of manufacturing jobs as an example. Ms. Grove and Ms. Watson indicated that there were significant growths in manufacturing jobs and believe that the small net gain presented through the data was inaccurate. Mr. Walls indicated that the net gain was small due to multiple reasons, including annualized forecasts and a decline in the manufacturing industry in recent years. Ms. Grove and Ms. Watson indicated that they have not witnessed a decline in the manufacturing industry and asked Mr. Walls where he received his data from. Mr. Walls indicated that his data came from DES and UI tax records. Ms. Watson commented that new job growth is estimated over time and may not be included in the forecasts.
 - Ms. Watson indicated that the percentage of job growth did not match the estimated job growth number. Mr. Walls clarified by stating that the percentage was for job/occupation growth across all industries whereas the number pertained to an occupation within a certain industry. Mr. Walls clarified to the Task Force the definition of industries and how a single company may operate in different industries, but only is categorized into one industry, whichever consumes more than 50% of their business.

b. Discussion of Employer Measures

Ms. Grove explained the sources of employer measures (federal, state level). Ms. Grove expressed the difficulties in navigating the choice of language used within the measures. Michael Wisheart of the AZ Dept. of Economic Security provided guidelines for how measurement data is gathered and the expected outcome of measurements. Ms. Grove and Ms. Watson asked about a specific measure regarding “staff-assisted” job placements. Mr. Wisheart provided clarification on what constitutes a “staff-assisted” placement. Mr. Wisheart then provided an overview of the first two federal measures.

Ms. Grove asked how priorities are chosen. Mr. Wisheart commented that the Arizona Commerce Authority, the Office of Economic Opportunity, DES, and the local

areas all had input. Ms. Watson commented that the focus should be on the employer.

Mr. Walls stated that local areas are supposed to identify in-demand industries and the state provided guidelines.

Mr. Wisheart spoke to the importance of the Arizona Career Readiness Credential.

Ms. Grove asked for a recommendation on collecting measurements.

Ms. Watson spoke about a mismatch between job seekers and employers and asked if there is a metric to measure the gap between the two. Mr. Wisheart commented that any job placement should be an indicator on closing this gap.

Ms. Watson commented that employers do not use the system as much as possible and asked for input on how to make the workforce system a “go-to system” for employers.

Sheryl Hart of the Dept. of Education spoke about the third measure was most relevant to the populations touched by the ADE. Ms. Hart spoke about the Arizona Career Readiness Credential, expressed support, and indicated that it is a good next step for adult learners going into the workforce.

Ms. Grove stated that the federal government provides three measures and that Arizona must pick two of the three.

Mr. Wisheart asked if they Council will pick up the third metric, which will the forfeit of the first two. The Task Force committed to picking the first and third measures. See approved measures below.

Ms. Grove opened the task force for discussion. Ms. Hart indicated that measures one and three are the most important measures, Michael Traylor of the Dept. of Economic Security and Ms. Waston agreed. Ms. Grove indicated that these measures are the measures they will recommend to the Council.

Ms. Grove then moved on the state measures. Ms. Grove expressed support for the first state measure, but recommended changing the language. Ms. Watson agreed.

Ms. Grove mentioned the state measure for the ACRC. Ms. Grove indicated that employers will be more interested in a pool of talent vs the number of employers that recognized a specific credential. Ms. Watson stated that the measure should be about the individual, not about pledges to a program. Ms. Watson asked if the number of program completers could be tracked in the computer system. Rosalyn Boxer commented from the public section that it is possible to track those who have earned an ACRC, but not their job outcome.

Ms. Hart commented that the ACRC measure is more of a momentum-builder and that if employers recognize the credential, more individuals will be attracted to the program. Ms. Boxer commented in support of this idea.

Ms. Corey spoke about the history of the measurement and how the DOL requires measuring a skill gain. Ms. Corey indicated that the earning of a credential was not a measurable skill gain, but that is how the measure originated.

Ms. Grove commented on how to use the Council to advertise the ACRC.

Ms. Watson asked if the system tracked specific causes that led to job placements.

Mr. Wisheart commented that the system does not track causes, but rather if assistance was provided and the outcome.

Ms. Watson asked if there was a follow-up process with employers. Mr. Wisheart deferred to Mr. Rob Stenson of the City of Phoenix in the public section. Mr. Stenson commented that local areas are responsible for following-up with businesses, but they have experienced difficulties in receiving responses.

i. Vote to Recommend Council Approval of Updated Employer Measures

Federal Measures

1. Retention: % of participants who exit and are employed with the same employer/business in the 2nd and 4th quarters after exit
3. % of businesses/employers using services out of all employers in the state

State Measures

1. Average days to fill staff-assisted AJC positions (not job orders)
2. Percentage of employers who contacted an ARIZONA@WORK Job Center who confirm ARIZONA@WORK services assisted in identifying qualified job applicants (Percentage will be derived from those employers providing a response)
3. Number of companies and business organizations that have been visited by ARIZONA@WORK employees.

Ms. Grove entertained a vote to approve the federal and state measures as listed above. Ms. Grove indicated that she and Ashely Wilhelm, Council Manager, will revise the language within some measures.

Ms. Watson moved, seconded by Ms. Hart. The motion passed.

4. Vote on Recommendation for Council to Adopt State Plan Modifications

Ms. Grove provided a brief history on the system organizational chart and asked for input as to the revised chart.

Ms. Hart indicated that Career and Technical Education had been removed from the revised chart. Ms. Corey indicated that this was an oversight and stated that she will add CTE back into the chart. Ms. Hart, Ms. Watson, and Mr. Traylor expressed support for the revised org chart.

Ms. Grove asked about changes with the Office of Economic Opportunity and the Arizona Commerce Authority. Ms. Grove indicated that mentions of the OEO in the state plan should be updated to read ACA/OEO, as well as a change in the number of organizations listed in the state plan to account for OEO becoming a part of ACA.

5. Adjournment

Ms. Grove entertained a motion to adjourn the State Plan task force. The motion was made by Ms. Hart and seconded by Ms. Waston. The meeting was adjourned at 3:07 PM.

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