

Governor's Workforce Development Framework

Making Minnesota a world competitor in the 21st century

Minnesota is poised on the brink of enormous and escalating economic and social change. As the world shrinks, the pace of activity quickens, competition turns fiercer and the consequences of our decisions grow ever more wide-ranging, Minnesota must become a prime competitor on the world stage.

The state's biggest challenge in this is also its greatest opportunity. Minnesota's businesses are creating new jobs faster than we are creating Minnesotans. More than 80 percent of the people who will be in Minnesota's work force in 2005 are already at work. Given the pace of technological change, this means that those who are working now will have to continue to learn to work differently and at different tasks. Well-paying jobs are available for all Minnesotans who wish to advance their skills and incomes. But shifting workers to high-wage, high-growth jobs can happen only if workers know about these opportunities and can acquire the skills needed to do these jobs.

State government has a significant role in helping Minnesota take advantage of this opportunity. It can foster an education system that gives students the basic skills they will need in the workplace and inform them of the many career opportunities. It also can encourage workers to upgrade and add to their skills, and ensure that the tools and incentives for doing so are available.

The Governor's Framework for Workforce Development will help Minnesota:

- Prepare its workforce to be the most competitive in the world
- Eliminate obsolete and consolidate redundant programs
- Identify and promote the well-paying jobs and skills of the future

With business, education, government and citizens working together, Minnesota can grab hold of a vibrant, prosperous future.

Goals of the framework

In one of his first actions in office, Governor Jesse Ventura asked the commissioners of Economic Security and Trade and Economic Development, the chancellor of the Minnesota State Colleges and Universities, and the director of Minnesota Planning to spearhead a workforce development project. The need for examining this issue was confirmed by the 1999 Legislature. The workforce development project, which has included the participation of public- and private-sector representatives, identified two goals and four strategies for ensuring Minnesota is ready for the future.

Goal 1: Keep Minnesota businesses competitive by supporting a flexible, skilled workforce

With economic globalization, Minnesotans now can reach markets anywhere in the world and competitors anywhere in the world can reach Minnesota. Prices are set on global scales, so a business' success depends on providing better value than its competitors. Minnesota's labor costs are higher than those of many developing countries, but greater productivity and higher quality can offset this difference. Minnesota businesses will increase their productivity by expanding their use of technology, raising the skills of their workers and ensuring a safe workplace. Minnesota's workforce development system must create the highest skilled and most flexible workforce in the world.

Minnesota must act now to meet workforce needs by 2006



The projected number of new workers is 294,000. Projected jobs include 400,000 new jobs and 600,000 replacement jobs — positions that become vacant due to the departure of incumbent workers, such as through retirement.

Source: Department of Economic Security

Goal 2: Support efforts to increase personal income

In the past, success was measured by reduced unemployment and people having jobs. Minnesota now has the chance to aim much higher by helping people get good jobs that pay well and have potential for growth. The challenge is to make sure that people are trained for the best jobs available. This means retraining people who are already working, focusing more of training resources on the best jobs of the future and encouraging people to examine their own skills and careers and to take responsibility for continually learning new skills and updating old ones. Minnesota can create an economy where personal incomes are high, the best jobs are filled and businesses expand here because they need and want a world-class workforce.

Four key strategies

“We’re going to be a national leader in getting our people into better-paying jobs.”

Governor Jesse Ventura

To accomplish Minnesota’s workforce goals, four major strategies were identified by the members of the workforce development project.

Strategy 1. Re-examine and confirm the principles on which the workforce development system is based.

The current workforce development system is built on principles that were established 25 or more years ago. These principles need to be challenged and replaced with ones that reflect contemporary values.

Old principles	New principles
The costs of doing business and access to capital are the biggest impediments to business growth.	Addressing the shortage of skilled workers is the biggest challenge facing Minnesota businesses.
The emphasis is on making sure people have jobs.	The emphasis is on making sure people have good jobs with potential for high pay and advancement.
A four-year college education is the accepted path to a good career for all Minnesotans.	Technical education is an equally good and acceptable career path for many people.
Children learn about career opportunities through their families.	Children learn about career opportunities through many sources, including primary and secondary schools.
Employment, educational and economic development agencies work independently.	Collaboration among agencies and programs is required.
New initiatives require additional funding.	The available financial resources for workforce development are adequate and strategically focused.
Government programs continue indefinitely, without regular review.	Government programs demonstrate their value and are subject to regular review.

Strategy 2. Identify and support critical occupations and industries.

Minnesota needs to identify continually the industries and occupations that have high wages and the best potential for growth so attention can be focused on training that supports them. Over time, some industries will fade, and some will grow, while some occupations will always be in demand. While the priorities should be on high-wage, growing occupations, maintaining support for some critical entry-level jobs is important.

State government must constantly monitor occupation and industry trends and remain flexible to respond to them. Here are some examples of growing occupational and industry trends; the list is representative, not all-inclusive.

Some occupations expected to grow rapidly over the next seven years

Selected occupation	1996 estimated employment	2006 projected employment	Numeric change 1996 – 2006	Median wage 1997
Computer engineers	3,986	9,600	5,614	\$28.03
Electrical and electronic engineers	7,037	10,629	3,592	\$24.59
Computer systems analysts	10,428	20,655	10,227	\$24.50
Computer support specialists	2,900	5,263	2,363	\$16.09
Correction officers and jailers	4,429	6,602	2,173	\$15.32
Numerical control machine tool operators	2,729	4,172	1,443	\$14.33
Medical records technicians	2,113	3,222	1,109	\$10.56
Human services workers	7,249	11,999	4,750	\$10.56
Medical assistants	2,217	3,448	1,231	\$10.44
Home health aides	12,506	21,112	8,606	\$7.71
Child-care workers, except private household	25,464	28,853	3,389	\$7.41*
Personal and home care aides	4,476	7,822	3,346	\$7.37
Retail salespersons	78,857	91,410	12,553	\$7.32

* Based on the median wage of 4,950 employees of child-care facilities; data is not available for self-employed child-care workers, who make up the bulk of this category.

Other occupations will likely shrink

Selected occupation	1996 estimated employment	2006 projected employment	Numeric change 1996 – 2006
Typists, including word processing	13,160	11,180	-1,980
Computer operators, except peripheral equipment	4,800	3,590	-1,210
Welfare eligibility workers and interviewers	3,500	2,600	-900
All other office machine operators	6,480	5,660	-820
Farm workers	11,930	11,160	-770

Fast-growing industries include both high and low average wages

	Projected growth 1996 – 2006	Average annual wage, 1997
Computer and data processing services	123%	\$51,115
Management and public relations	65%	\$44,380
Residential care	45%	\$15,592
Engineering and architectural services	41%	\$44,855
Medical instruments and supplies	39%	\$48,324
Offices and clinics of medical doctors	38%	\$52,124
Electronic components and accessories	36%	\$36,677
Security and commodity brokers	15%	\$82,352
Retail trade	12%	\$15,249

Source: Long-Term Projections Unit and Covered Employment and Wages, Department of Economic Security

Strategy 3. Eliminate redundant or obsolete workforce development programs and consolidate where possible to maximize resources.

Minnesota needs to allocate its workforce development resources, including training and education, so they are better aligned with the new principles. Key criteria will be used to evaluate the performance of workforce development, training and education programs. Those that are not successful or do not serve the goals of the Framework for Workforce Development will be eliminated, as will redundancy. In addition, programs with similar functions will be consolidated wherever possible.

A variety of other innovations is possible as well. Programs may be transferred to allow leveraging of federal matching funds, for example. Another innovation would be replacing state funding with user fees.

This strategy will be accomplished in cooperation with the Legislature. Depending on the need for regulatory or legislative changes, some innovations can be made quickly, and some will require more time. Ultimately, local initiatives also should be subject to the same review process.

Strategy 4. Educate adults and youth about the availability of good career opportunities with long-term potential for growth.

Minnesota's unemployment rate is at historically low levels. High-paying jobs are going unfilled, but individuals have little information about these opportunities, the skills required to fill them or where education or training can be obtained to qualify for them. In addition, many people do not know how to begin examining and improving their own career path. A statewide promotional campaign is needed to encourage adults to explore the variety of opportunities that exist. Many well-paying information technology jobs are available, for example, but education and training programs for these jobs are underused. Since many will have multiple occupations over their lifetime, individuals need to assume responsibility for continually learning new skills and updating old ones. Government can help them do this by making up-to-date information available about opportunities and encouraging them to recognize that an investment in learning can yield significant increases in income.

Children need the same kind of information. Society has tended to promote a four-year college degree as the most desirable path to a good job and to downplay technical occupations. Not only has this discouraged some students from pursuing training beyond high school, it no longer reflects reality. Many technical jobs now pay higher wages than some that require a four-year degree. Because of the continual need to learn new skills and upgrade old ones, workers of the future are likely to have a variety of educational experiences over the course of their life. Assumptions about how children should prepare for their futures must be changed, and children should be given good, solid information about the many opportunities available to them.

More information on workforce development

ISEEK — easy access to education and employment opportunities:
www.ISEEK.org

Department of Economic Security:
www.des.state.mn.us

Department of Trade and Economic Development: www.dted.state.mn.us

Minnesota State Colleges and Universities: www.mnscu.edu

The Governor's Framework for Workforce Development actions and timeline

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| 1. Distribute and discuss the principles and framework. The discussion will be broadened to include the Legislature, local organizations and the general public. | Ongoing |
| 2. Initiate efforts to identify critical occupations and industries. State government will not choose winners and losers; instead, it will give extra emphasis to industries and occupations that offer higher wages, future demand and a good career path. It also will pay attention to industries essential for maintaining a high quality of life. | August 1999 |
| 3. Identify information gaps. Programs lacking the information needed for evaluation will be required to collect it for future evaluation and support. | October 1999 |
| 4. Evaluate workforce development programs, and identify legislative and regulatory barriers to effective use of resources. State government will collect the necessary data from state-funded workforce development programs, including education and training, and make recommendations for financial support based on key evaluation criteria. Where barriers are found, it will determine what is needed to achieve effective use of resources and how the necessary change can be accomplished. | November 1999 and ongoing |
| 5. Initiate efforts to promote career opportunities to underemployed adults. Existing models will be identified and new approaches adopted to encourage personal responsibility for career improvement. | May 2000 |
| 6. Initiate efforts to inform students about career opportunities. Students will be given solid, useful information at frequent intervals; state government and institutions will seek the help of industry representatives and professionals to do this. | May 2000 |
| 7. Evaluate results. The expenditure of state funds will be monitored continuously and the results evaluated. | 2000 and ongoing |

Working better, working smarter

The Governor's Framework for Workforce Development will help Minnesota:

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Through these efforts, Minnesota will provide an environment where employers are committed to developing their workforce, employees take personal responsibility for enhancing their skills and careers, and the government supports these activities through selective and strategic investment.

The *Governor's Workforce Development Framework* was prepared by Minnesota Planning, the departments of Economic Security and Trade and Economic Development, and the Minnesota State Colleges and Universities, September 1999. This report is available on Governor Ventura's web site at www.governor.state.mn.us. Upon request, this information will be made available in an alternate format, such as Braille, large print or audio tape. For TTY, contact Minnesota Relay Service at 800-627-3529 and ask for Minnesota Planning.