

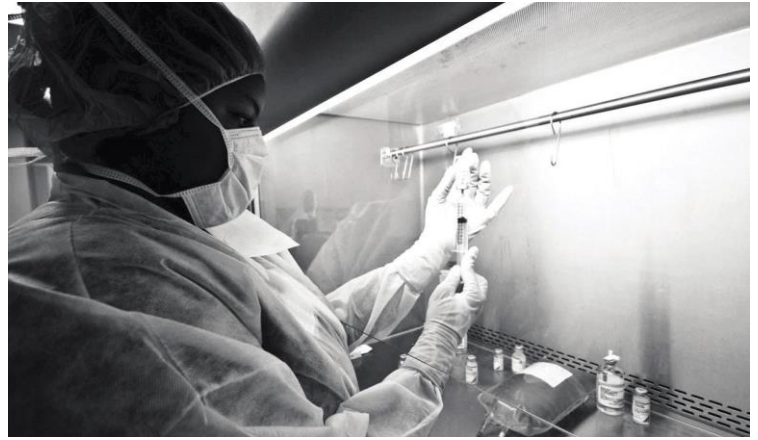


# Executive Summary and Recommendations for the Report

## Today's Realities— Tomorrow's Workforce

### Addressing Region 7's Rural Workforce Mismatch

December 2016



## ACKNOWLEDGEMENTS

Jobs for the Future wants to thank the stakeholders of SAWDC – employers, educators, policy makers, government officials – for their many hundreds of hours of collaboration and interviews and for their recommendations to help improve the workforce in the rural counties. Of course, none of this would have been possible without support of SAWDC and the generous financial support of the Delta Regional Authority.

## ABOUT SAWDC



Southwest Alabama Workforce Development Council (SAWDC) is one of Alabama's seven Regional Workforce Councils, focused on developing partnerships and programs to address the workforce needs of local industry. SAWDC covers nine counties in Southwest Alabama, which constitutes Region 7 in the state's regional workforce development structure. Those counties include the following: Baldwin, Choctaw, Clarke, Conecuh, Escambia, Mobile, Monroe, Washington and Wilcox. SAWDC's vision is to develop a comprehensive, integrated workforce development system, which creates a skilled workforce that better meets the needs of employers and leads to a better quality of life for our citizens. Its mission is to develop strategic partnerships which attract, educate and train students and workers to better meet employer needs and foster economic growth in a global marketplace. In order to ensure the regional workforce planning is comprehensive and considers the variety of workforce needs in its nine counties represented, SAWDC has broad and deep representation, both geographically and across industry sectors with representation from each of the targeted industry clusters - aviation, maritime, construction, health care, and manufacturing – chosen due to the high demand and high growth prospects for these industries. With a dual customer approach, SAWDC convenes, organizes key stakeholders, and maintains persistent attention to the needs of the two main customers: employers and workers. By engaging employers and other partners in identifying workforce needs, SAWDC aligns funding from various sources and brokers services that address the career advancement needs of employers and lower-skilled adults.

## ABOUT THE DELTA REGIONAL AUTHORITY



The Delta Regional Authority works to improve regional economic opportunity by helping to create jobs, build communities, and improve the lives of the 10 million people who reside in the [252 counties and parishes](#) of the eight-state Delta region. Led by the [Delta Regional Authority Board](#) – comprising the federal co-chairman, appointed by the President and confirmed by the U.S. Senate, and the governors of the eight states – the Delta Regional Authority fosters local and regional partnerships that address economic and social challenges to ultimately strengthen the Delta economy and the quality of life for Delta residents.

Established in 2000 by Congress, the Delta Regional Authority makes strategic investments of federal appropriations into the physical and human infrastructure of Delta communities. Through the [States' Economic Development Assistance Program](#), these investments help to improve transportation and basic public infrastructure and to strengthen the workforce development system and local business environments. The Delta Regional Authority supports job creation and economic development through innovative approaches to growing local and regional leadership, increasing access to quality health care and boosting opportunities for entrepreneurs to obtain affordable capital.

The 252 counties and parishes served by the Delta Regional Authority make up the most distressed area of the country. The time for action has arrived, and the Delta Regional Authority is poised to work with local, state, and federal leaders to bring investment and opportunity back to the Delta region.

## ABOUT JOBS FOR THE FUTURE



### JOBS FOR THE FUTURE

Jobs for the Future is a national nonprofit that works to ensure educational and economic opportunity for all. We develop innovative career pathways, educational resources, and public policies that increase college readiness and career success, and build a more highly skilled workforce. With over 30 years of experience, JFF is the national leader in bridging education and work to increase mobility and strengthen our economy. Visit JFF's website at [www.jff.org](http://www.jff.org).

This report was authored by Mary V.L. Wright, senior director at JFF, and James Shanahan and Steve Quimby, both consultants to JFF. Dimitri Linde contributed to the data collection and interviews and provided valuable support and feedback to strengthen the report. Sophie Besl, Sharron Kahn Luttrell, and Micayla Boari offered critical editing and graphic design for the final product.

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*Photography courtesy of SAWDC*

# TODAY'S REALITIES – TOMORROW'S WORKFORCE

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## EXECUTIVE SUMMARY

The Southwest Alabama Workforce Development Council leadership is concerned about workforce challenges in the southwest corner of the state. The rural counties of Region 7, a sub-state area designated by the state for addressing workforce development issues, have lagged behind their urban neighbors in recovering from the economic recession of 2007. SAWDC recognizes that a new and expanded effort is required to improve the rural economy and better align demand and supply of workers attempting to connect around real-time hiring needs.

Nationally, middle-skill jobs have become increasingly important. These are positions that pay at least \$13.76 per hour and require either a high school diploma and on-the-job training, or a postsecondary credential or Associate's degree. Middle-skill jobs pay family-sustaining wages that can provide financial stability and career growth to workers. Given the rural counties' employment demands and the need for better-paying jobs, developing a workforce strategy that emphasizes middle-skill jobs has significant potential for the region.

To determine the best strategies to achieve this, Jobs for the Future did an extensive data review and conducted interviews with local stakeholders. Several factors about the existing local economy and labor force emerged. These factors must be considered when assessing how to develop a more robust workforce development strategy.

## RURAL ECONOMY

Region 7 contains two urban counties, Mobile and Baldwin, and seven rural counties, Choctaw, Clarke, Conecuh, Escambia, Monroe, Washington, and Wilcox. The economy of the rural counties is significantly different from the economy of the urban counties. The population in the rural counties of Region 7, which represents 18 percent of the region's total, was 137,843 in 2015, and has declined by 3.8 percent over the last five years.

The rural counties are dwarfed by the two urban counties. Eighty-five percent of private sector jobs in Region 7 are located in Mobile and Baldwin counties, and only 15 percent of private sector jobs are in the rural regions.

Although located adjacent to the urban counties of Mobile and Baldwin, the industry character and labor markets function more independently than would be expected given their geographic proximity. The manufacturing operations located in the rural counties have few linkages to the highly industrialized Mobile economy.

Between 2007 and 2016, every rural county in Region 7 lost jobs. Escambia County lost only 2.2 percent of its total employment while job losses in the remaining counties ranged from 12.5 percent in Choctaw County to 26.3 percent in Monroe County. Looking forward, all rural



counties except Choctaw and Wilcox are expected to see job gains by 2022. However, total employment in each county by 2022 is expected to remain below their 2007 level.

The large geographic size of the rural region results in jobs being dispersed over wide areas making transportation for employment and for training a major challenge because of limited road and highway access. In fact, both workers and employers see neighboring areas of Florida and Mississippi as fertile areas for jobs and from which to recruit because of better transportation access.

## **WORKFORCE ANALYSIS**

### **Educational attainment is a critical issue**

In general, employers are requiring higher levels of educational attainment, training, and experience to be hired for middle-skilled jobs. The rural population has not kept up with the needed level of education. In the rural counties, the percentage with a high school diploma ranges from a low of 35.2 percent to a high of 48.5 percent. More telling is that across the rural county region, only 25 percent of the population had an Associate's degree or some postsecondary education. This is a drag on the economy and must be addressed to support the region's workforce and economic development.

### **Both underemployment and unemployment are concerns**

Workers accept jobs that underutilize their experience, training or skills, and/or, are part-time or temporary jobs. The underemployed are a potential pool of new jobseekers for employers only if workers change careers or add to their skill sets to better fit what employers now seek. Many of the underemployed find it difficult to advance to full-time employment, particularly in middle-skilled jobs.

Unemployment rates in the rural counties exceed the urban counties of Region 7 and the state of Alabama as a whole. The unemployment rate is likely understating the total population without jobs since some of the unemployed have stopped looking for work. Getting the unemployed back into jobs in the critical industries will be a challenge because unemployed persons in the rural counties often have little educational attainment or the kinds of skills and experience that are in demand.

### **Journey to work**

The commuting patterns of rural residents reflect the both the dispersed nature of employment in the region and the limited highway access. Rural workers more often commute to workplaces *outside* Region 7 than to another county *inside* the region. Only workers from Washington and Escambia more often commute into Mobile or Baldwin for their jobs. Significant numbers of rural workers find it more possible to commute to Florida and Mississippi due to better highway

access than within the counties, creating an outflow of workers from Region 7. Overall, the research found that rural jobseekers commute to workplaces outside Region 7 because they cannot find employment locally that requires the skills and work experiences they have, and too often, they are forced to accept jobs locally that leave them underemployed. In addition, workers lacking access to personal transportation have no reliable alternative transportation options.

## Evidence of a skills gap in rural counties of Region 7 is clear

**Many of the rural counties' adults are underprepared for middle-skill jobs, lacking the minimum educational requirements, technical skills, and employability skills.** Although high school graduation rates are improving, the number of residents with postsecondary credentials is below Alabama and national averages. An estimated 5,000 of those working at rural workplaces actually live outside of Region 7. This suggests that employers are hiring workers from outside the region, with the result being that about 8 percent of all rural area jobs are held by these workers. Employers, in part, hire these workers because they are not satisfied with the technical and/or employability skills that local jobseekers have to offer. Access to workers outside of Region 7 may relieve the pressure on local employers to take more actions to address the gap in skills and job experience found in local applicants for middle-skill jobs. Likewise, rural jobseekers who can, resort to commuting outside Region 7. About 5,000 of the 48,741 employed residents commute to jobs outside of Region 7. Some of these do so because they cannot find employment locally that fits their skills and work experiences. Too often, though, they may simply accept jobs locally that leave them underemployed. This is labor market evidence of a classic skills mismatch within the rural Region 7 labor market.

**Employability skills are in demand.** Employers want to hire workers who are effective communicators, planners, and problem-solvers; are comfortable with technology; and possess other employability or workforce-readiness skills. Many jobseekers lack these skills, and incumbent workers are unable to keep up with evolving technology in their workplaces. Further, employers find themselves frustrated by capacity and access issues when they attempt to arrange training through vendors or by partnering with postsecondary educators in the region.

**Employers regularly fill open positions by hiring workers already employed at other firms.** This is not sustainable in the long term, as it is a zero-sum outcome for the region.

## CRITICAL INDUSTRIES AND THEIR CHALLENGES

Manufacturing, health care, and transportation and warehousing are the critical industries in the region. They provide the majority of the region's private sector jobs.

### Manufacturing

Manufacturing is the largest employer, providing 24.3 percent of total private sector employment in the region. 131 manufacturing companies are located in the rural region. The average manufacturing annual salary in the rural region is \$65,757, more than 67 percent higher than the

overall average wage. Yet, manufacturing employers are facing difficulties in filling their available job openings. Many applicants lack sufficient work experience to be employed, even when they have the requisite education. There is also a shortage of new skilled workers interested in the manufacturing industry. The industry's challenges will be further exacerbated when the incumbent workforce begins retiring.

## Health Care

In 2015 in the rural counties, there were a total of 3,123 people employed in health care, and the sector demand for positions is projected to grow 11 percent in the next five years. There is already an acute shortage of workers to fill open position in occupations requiring less than a Bachelor's degree such as registered nurses, certified nursing assistants, and health information technicians.

Employers identified many workforce challenges including large numbers of impending retirements, especially in jobs that are already hard to fill. Training programs face recruitment challenges, particularly from the residents of the region. Potential students have negative perceptions of health care employment opportunities and limited awareness of the diversity of opportunities in the health care field. In addition, many graduates of the region's community college programs leave the region upon completion. The industry has very high turnover in frontline occupations. Factors cited as reasons for the high turnover include the physical demands of the occupations, low wages, the demands of shift work, and poor employability skills on the part of some employees.

## Transportation and Warehousing

There were 2,077 jobs in the transportation and warehousing sector in the rural counties in 2015. This sector includes the full range of transportation services from pipelines to shipments and travel by air, ground, and water, and corresponding warehousing services for goods and fleets used in transportation. For the rural counties, 75 percent of these firms are involved in truck transportation. Long-distance trucking provides 75 percent of jobs in truck transportation, the balance being local transportation of goods and services.

Hiring needed workers and high turnover rates are the two greatest – and related – workforce challenges in the trucking and warehousing sector. Turnover is a particularly grave challenge for long-distance truck companies.

## RECOMMENDATIONS

Recommendations for action to address the challenges of the rural region and its key industries are provided. These recommendations were developed through facilitated planning sessions with business leaders, elected officials, economic developers, and other workforce development stakeholders. The recommendations are divided into seven categories outlined below. These same stakeholders – along with other key leaders from the rural counties, and with support from

SAWDC – will need to develop a leadership structure to drive program development to implement these recommendations. Each recommendation will have to be evaluated based on factors such as ease of implementation (do the rural counties need to involve additional stakeholders from outside the region and financial implications).

### **Improve alignment between industry needs and the community colleges.**

There is wide agreement in every part of the country that partnerships between employers and community colleges are key to developing a workforce that meets the demands of local employers. To maximize the impact of the region's community colleges, the region should develop additional satellite sites for the provision of postsecondary education and training services in close proximity to key industry clusters. Community colleges should consider hiring instructors with industry experience as instructors. Employability skills should be integrated into every training program. The region's community colleges should also develop alternative education models that address barriers to entering community college degree and certificate programs, such as the Washington State I-BEST model.

### **Increase public workforce system services to the rural area.**

The public workforce investment system must be a key partner in any successful regional workforce development effort. Rural stakeholders must ensure that rural workforce priorities are included in the expanded workforce development board that will include the rural counties in the future. Regional stakeholders should also work to improve access to public workforce development services through virtual programming, increased service hours outside of the traditional 9-5, and the use of informal satellite locations such as libraries and town halls throughout the region.

### **Address regional infrastructure issues.**

The rural region faces infrastructure issues that are barriers to workforce development efforts, such as increasing education and training services and attracting employees. A key recommendation to support regional workforce development is to improved regional broadband access. Implementing this recommendation will support both commerce and education. Supporting regional transportation improvements will also support workforce and economic development in the region.

### **Expand and improve the pre-employment pool.**

The region cannot afford to leave any potentially productive portion of its workforce on the sidelines. The region's stakeholders should encourage the development and expansion of programs that support the training and hiring of veterans, people with disabilities, and the long-term unemployed. Programs that support the ability of people with criminal backgrounds to reenter the workforce should also be explored.



## **Implement industry-specific recommendations.**

Workforce development efforts should always be based on the needs of specific industries. For the manufacturing industry, the development of training programs that build both experience and skills will be critical. Apprenticeship programs, degree programs with alternating periods of education and work, and incumbent worker training programs are options to meet this need. The region is also recommended to support manufacturing career awareness programs to attract more workers to the industry. Development of a satellite community college training center in Washington County, in close proximity to the chemical manufacturing cluster, would also support the manufacturing industry.

For the health care industry, developing retention and recruitment efforts to address upcoming nursing retirements will be critical. The region's educational leadership should also bring new models of training to the region to support career pathway development to produce more nurses and other caregivers from the existing workforce. Retention and recruitment efforts to address upcoming nursing retirements should also be explored. Finally, the region's workforce development stakeholders should build stronger relationships with regional home health organizations.

The transportation and warehousing industry would be supported by increasing targeted commercial driver's license training in the rural counties, building on the work that has been done in the region by Bishop State Community College and its partners.

## **Engage in additional economic development activities.**

Since workforce development and economic development are inextricably linked, efforts to engage and expand partnerships between workforce and economic development should be pursued. Options for this engagement include:

- Expand the industry awareness campaign to a regional economic development marketing campaign.
- Stress to regional planners and other key decision-makers the importance of clustering employment centers in the counties closer to residential locations. This will help reduce travel times and lower transportation costs.
- Propose an industrial/manufacturing land-use study for priority locations. This would encourage economic development entities to direct their efforts to targeted locations.
- Make a concerted effort to craft the story around the appeal of the rural area to the professional workforce.

## **Create a culture of continuous improvement and adopt measures of success.**

Developing common measures and reporting results of workforce development efforts to industry and the public will help develop support for sustaining the recommendations discussed in this report. Programs should develop public dashboards that demonstrate the progress of the workforce system in real time. Training programs should develop a voluntary comprehensive database of postsecondary education and training program participants to inform industry and workforce development metrics should be included in performance measures for all community college programs. Finally, regional stakeholders should support continual improvement through long-term effort to research and implement new models of workforce development that have been shown to be effective.

Each of the recommendations can contribute to the improvement of the workforce development in the rural counties of Region 7. Stakeholders must evaluate the resources – time, funding, and influence – as they prioritize the recommendations to create a better vision for the area.

## VISION FOR RURAL REGION 7

The vision for the rural counties of Region 7 should focus on the potential to increase the supply of prepared workers by increasing the skill and educational credentials of those already in the labor force and attracting more adults currently not in the labor force to pursue additional training. In addition, efforts need to be made to expand the demand for workers' services. Therefore, the recommendations put forth below include proposals to address overarching issues as well as specific recommendations to address the needs of selected critical industries.

The recommendations were developed in several ways. The quantitative and qualitative data on the status of specific industries and workforce in the region suggested recommendations to address obvious workforce gaps. The JFF team also facilitated a series of discussions with regional stakeholders to review the data collected and solicit suggestions to address the identified gaps. Many of the recommendations were developed from the input of industry partners in the rural counties. In addition, recommendations are included that draw on JFF and the research team's collective workforce development experience with models of excellence in workforce development from across the country.

## LEADERSHIP FOR A RURAL FOCUS

An organizational structure with a rural focus is needed to guide the development of a workforce development strategy. SAWDC has broad responsibilities as a workforce intermediary for the nine-county region, which includes both the rural and metropolitan counties of the region, each with significantly different needs. The key leaders from the rural counties – including business leaders, elected officials, educators, economic developers, public workforce investment system staff, and industry representatives – with support from SAWDC, need to determine how to lead regional coordination for workforce efforts. This structure will provide a vehicle for rural employers to influence other regional stakeholders, particularly the community college system and the public workforce investment system, to achieve specific workforce development goals.

This report contains a large number of recommendations for SAWDC and its stakeholders to consider and implement. Each recommendation has the potential to improve the workforce development opportunities within the region. However, most of these recommendations will require the cooperation and resources of more than one organization and may require significant planning and new funding to be implemented. In fact, many of the recommendations may require state action and others may be influenced by federal policy. At the end of this report there is a list of questions that SAWDC and its partners can use to determine which options to focus on and in what order.

The recommendations are divided into seven groupings:

- Improve the alignment between industry needs and the community colleges
- Increase public workforce system services to the rural area
- Address regional infrastructure issues – broadband and transportation

- Expand and improve the pre-employment pool
- Implement industry-specific recommendations
- Engage in additional economic development activities
- Create a culture of continuous improvement and adopt measures of success

Each of these groupings will be explained in detail below.

## **Group 1: Improve the Alignment Between Industry Needs and the Community Colleges.**

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There is wide agreement in every part of the country that partnerships between employers and community colleges are key to developing a workforce that meets the demands of local employers. The employers that participated in this study – either through interviews or participating in the stakeholder meetings, recognized the key role community colleges play in the development of the rural workforce. A key to building these partnerships is for the community college and employers to develop long-term employer advisory boards where employers are fully engaged in partnering with this critical training provider. To enhance these important partnerships, we recommend the following:

- **Redesign programs of study to better match employers’ changing needs**

Employers and community colleges could design programs that provide strong technical and professional skills and include an expectation of further training in a specific industry. Additional training could be after graduation or as part of the degree or certificate program. This would allow for a greater integration of work-based learning, reversing a trend of declining use of this critical training approach.<sup>1</sup> Addressing common skill needs across industry and occupations might be more effective an approach given the relatively small size of the regional workforce and training faculty. It would also shift the responsibilities for teaching niche or proprietary skills to the employer.

- **Develop additional satellite sites for the provision of postsecondary education and training services**

To the maximum extent possible, postsecondary education and training programs should be located close to industry and residential clusters. This proximity will allow for greater interaction between industry and the training programs, including being able to use industry practitioners as instructors. In addition, incumbent workers or those who are working and are seeking additional training for another field, will be better able to participate in relevant training because it will be easier to reach. (See additional recommendation in the Industry section below.)

Developing satellite training sites near key industry sectors is becoming common practice for effective community college systems. For example, the Community College of Rhode Island recently located a satellite center near General Dynamics Electric Boat, a major shipbuilding

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<sup>1</sup> See Charlotte Cahill, “Making Work-Based Learning Work,” Jobs for the Future, June 2016, <http://jff.org/publications/making-work-based-learning-work>

employer in the region. The facility will offer typical college classes as well as specialty technical training.

With the partnership, Electric Boat will offer workforce development classes to its employees in fields including carpentry and pipefitting. In addition, Electric Boat and the college will begin a program for high schoolers, similar to vocational training, which could culminate in a job following graduation.<sup>1</sup>

- **Develop alternative education models that address barriers to entering community college degree and certificate programs**

Across the country, many underprepared community college students remain enrolled in developmental courses and use up their financial aid resources without entering degree or certificate programs. Alternative models such as the Integrated Basic Education and Skills Training (I-BEST) program that quickly teach students literacy, work, and college-readiness skills so they can enter formal training programs should be brought to the community college system.

I-BEST is a strategy developed in Washington State to combine basic skills and technical instruction for college-level occupational classes. By integrating basic skills and professional-technical skill instruction, I-BEST speeds up the rate at which adult basic education and English-as-a-second-language students complete postsecondary credentials rather than spending extensive periods of time in developmental education courses. The model has been extensively studied by the Community College Research Center<sup>2</sup> among others, and been shown effective in improving educational outcomes. The I-BEST model is being utilized extensively in many other states, including Mississippi.<sup>3</sup> This study from The Century Foundation<sup>4</sup> details other states' efforts to help students advance and complete more quickly and may be relevant to the region.

- **Encourage community colleges to hire experienced workers nearing retirement as instructors**

Across the country, community colleges lament their difficulty finding qualified instructors because industry pays higher wages. In this region, as the manufacturing workforce ages, community colleges may be able to recruit these retirees to transition to instructor roles. Many retirees choose second careers to give back to the community.<sup>5</sup> IBM, in its Transition to Teaching program, encourages its retirees to return to the classroom.<sup>6</sup> By teaching in the community college, these retirees would contribute to the educational programs in the region. Businesses should encourage this transition to help ensure that community colleges produce highly qualified workers.

- **Integrate employability skills into all programs of study**

In interviews, rural county business and industry leaders emphasized the importance of employability skills and repeatedly suggested that these skills are both in high demand and lacking in applicants and new entrants to the workforce. These skills allow individuals to



navigate the workplace by demonstrating problem-solving, critical thinking, teamwork, professionalism, basic computer skills, writing, etc.<sup>2</sup> Over the past four decades there has been a nationwide shift in work from routine and manual tasks toward analytical and interpersonal tasks. Further, several recent reports demonstrate that jobs with high social-skill requirements have experienced greater wage growth than others. And, both employment and wage growth has been strongest in occupations that require both strong social skills and high levels of cognitive skills.<sup>3</sup> Employability skills will help workers navigate and withstand changes in the economy caused by expected advancements in technology or more disruptive evolutions to the way we do business and must be included in all educational/workforce development initiatives. Community colleges are recognizing the critical nature of these skills and have developed several approaches to teaching employability skills.

Lorain County Community College in Ohio has redesigned its English as a Second Language and ABE/ASE programs to integrate career readiness skills into them per state requirements. North Shore Community College in Massachusetts has developed specific required employability skills curriculum for use in some of its non-credit programs. Other schools, such as LaGuardia Community College, integrate these skills into the curriculum. Operators of non-credit programs say using industry executives as instructors has helped integrate these skills into their programs. Others work with outside vendors to use boot-camp models, online offerings, or assessments. Lone Star College in Texas includes 32 employability skills in its Energy, Manufacturing and the Skilled Trades cluster. Administrators believe that having these skills makes the employee appear more experienced and therefore being of more value to an enterprise.

## Group 2: Increase Public Workforce System Services to the Rural Area.

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The public workforce investment system must be a key partner in any successful regional workforce development effort. The state of Alabama is in the process of aligning the regional workforce development areas with the workforce council regions. For the SAWDC region, this means that Mobile Works will see its footprint expand from Mobile County to the entire region.

- **Include rural priorities in the expanded regional workforce development board**

It will be imperative that the needs of the rural counties and their workforce be considered in the planning and implementation process of the expansion. SAWDC and its partners would be a valuable partner to Mobile Works by providing the voice for rural county priorities. A seat on the board of directors of the expanded workforce development board would be an important step in assuring that the region's needs are addressed.

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<sup>2</sup> These skills are known by many names including soft skills, foundational skills, 21<sup>st</sup>-Century Skills, deeper learning, executive functions, personal-success skills. For this report, the term “employability skills” is used.

<sup>3</sup> Burning Glass, The Human Factor, p. 5, <http://burning-glass.com/research/baseline-skills/>

- **Improve access to public workforce system services**

Currently, there are only two Alabama Career Centers in the rural area. Many residents face a drive of more than 45 minutes to get to one of these centers, creating a significant barrier for eligible participants. Locating satellite job centers at public libraries and other public places would significantly improve access. Services could be provided through a combination of computer-based technologies and scheduled in-person staffing. Virtual programming can also be provided via the Internet for anyone with a broadband Internet connection. The City of Thomasville has already begun using its library as an informal satellite location.<sup>7</sup> This work should be replicated in other locations.

Another example is the Pasco Hernando (FL) Workforce Board, which used a Workforce Innovation Fund grant to develop and implement distance services. This resulted in cost savings to the board and increased the likelihood that jobseekers would find employment. Participants can receive services remotely and connect with staff as needed. Remote services include registration, completing online orientation, job search, and identifying sources of training. An evaluation of the grant showed that people who completed services remotely or on a self-service basis were 15 percent more likely to become employed than those who were primarily staff assisted.<sup>8</sup>

- **Provide workforce services during nontraditional hours**

The lack of availability of services such as career counseling, Workforce Innovation and Opportunity Act intake and assessment, and financial aid application assistance outside of traditional 8-to-5 service hours is a barrier to people who work or have child care or other family responsibilities. Expanding the services to nontraditional hours, such as evenings and weekends, would allow people to have access to these much-needed services.

### **Group 3: Address Regional Infrastructure Issues.**

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The rural county region faces infrastructure issues that are barriers to workforce development efforts, such as increasing education and training services and attracting employees.

- **Improve broadband access**

Advances in telecommunication technology have the potential to overcome one of the biggest barriers to rural participation in the global economy – its isolation.<sup>9</sup> The Internet is a critical tool in education, training, and workforce service provision throughout the country. It is particularly important in rural regions. Expanding high-speed broadband service across the region through libraries, schools, government offices, and private-sector hotspots so that all residents are within 20 minutes of broadband access would allow residents to take advantage of this resource for both commerce and learning. This lack of broadband may also explain the few IT job postings in the region – businesses can't rely on the Internet. Other states with significant rural populations have taken action to improve access. For example, the state of Kentucky is in the process of implementing the KentuckyWired Statewide Broadband Network Initiative to support economic

and workforce development. KentuckyWired is a statewide, open-access fiber optic network designed to deliver robust, reliable, and affordable Internet to communities across the state through broadband technology. The program is in the early stages of buildout.<sup>10</sup>

- **Support regional transportation improvement projects**

Improving mobility for commuters and companies with goods to move to market is an integral part of enhancing the regional economy given the size of the rural counties and the dispersion of residents and employers. Options to improve transportation for the workforce include:

- Urge the state of Alabama to allocate transportation funds to support the regions' transit programs for more robust regional coverage. Reducing the cost of transportation would make training and employment opportunities more accessible.
- Approach cities and towns in the region to help fund regional transit for their constituents.
- Consider a bi-regional (Alabama Tombigbee and Southwest Alabama Regional commissions) commuter bus service for the region to and from Mobile; one from the north (Thomasville area) and one from the southeast (Evergreen area).
- Investigate shared mobility options such as van and car pools and identify public and private funding options to support them.
- Evaluate the potential to create a nonprofit Transportation Management Association (TMA) that focuses on the travel needs of large employers. TMAs help pool resources, address the described transportation issues of time, distance, and costs, and allow public and private cooperation.

#### **Group 4: Expand and Improve the Pre-Employment Pool.**

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The region cannot afford to leave any potentially productive portion of its workforce on the sidelines. Underrepresented segments of the population often require additional wraparound services such as child care, transportation assistance, counseling, or housing to reach their full potential, but the return on the investment for the employer and community can be significant.

- **Explore programs that support people with criminal backgrounds to reenter the workforce**

Individuals who have been to jail do return to their communities. U.S. Department of Justice research reveals that at least 95 percent of state prisoners will be released back to their communities at some point.<sup>11</sup> Statistics also show that 30 percent of adult offenders released from state prisons are rearrested within the first six months of their release.<sup>12</sup> These statistics are particularly troubling for Alabama, given the severe overcrowding of the state prisons.<sup>13</sup> There is an urgent need for proper successful reentry programs to help ex-offenders secure employment. This includes supporting community-based organizations that provide supports to the reentry population. The state should also “ban the box” to remove the criminal history checkbox on job applications.<sup>14</sup>

In addition, the state may want to learn from North Carolina, where recent reforms created a system to closely evaluate, educate, treat, and supervise prisoners after release to reduce recidivism,<sup>15</sup> among other benefits.

- **Encourage employers to explore programs for hiring veterans**

The value of hiring veterans continues to be demonstrated, yet often veterans find the hiring process difficult. These issues include lack of degree, difficulty translating military service experience into civilian language, and general discomfort with the civilian workforce.<sup>16</sup>

Fortunately, there are many resources available to both community colleges and employers to help veterans translate the skills acquired in the military into employer-recognized credentials. In addition, there are tax incentives and other programs designed to encourage employers to hire veterans.<sup>4</sup> Recent surveys also suggest that employers are interested in hiring veterans for the kinds of jobs available in the region including production, distribution, and logistics.<sup>17</sup>

- **Promote the hiring of people with disabilities**

People with disabilities are the single largest minority group in the U.S., and yet they are significantly underrepresented in the labor market and more likely to be unemployed than their non-disabled counterparts.<sup>5</sup> The Alabama Department of Rehabilitation Services has several programs designed to make it easier to hire a person with a disability, including internship programs, onsite coaching, and wage reimbursements.<sup>18</sup> In fact, the ADRS reports it has the longest-standing vocational rehabilitation-business relations program in the country.<sup>19</sup>

- **Develop programs to support low-income residents.**

Despite the drop in unemployment and the steady rates of labor force participation, poverty rates rose in five of the seven counties and fell in two counties between 2010 and 2014.<sup>6</sup> For comparison, poverty in the state and in the nation, also rose during the same time period. One reason for this apparent paradox of falling unemployment, steady labor force participation, and rising poverty is that wages aren't high enough to move people out of poverty. Working adults in low-wage jobs could be explicitly tapped and targeted for career pathways efforts, including programs that provide bridges to postsecondary education and employment that can help them move into family-sustaining employment.

## **Group 5: Implement Industry-Specific Recommendations to Better Meet the Needs of Manufacturing, Health Care, and Transportation and Warehousing.**

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The following are recommendations tied to the needs of each critical industry in the rural regions, as identified in the technical section of this report. With the exception of transportation and warehousing, the research team conducted individual interviews with key business leaders

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<sup>4</sup> Leveling the playing field, The Conference Board, p. 57.

<sup>5</sup> The Conference Board, *Tapping Hidden Talent Pools*, 2014.

<sup>6</sup> 2014 is the latest year data is available for counties in the American Community Survey.

in each sector. These were followed up with a series of facilitated planning sessions. These recommendations are based on those conversations.

## Manufacturing

The rural area has both durable and non-durable manufacturing operations that need workforce development.

- **Implement a regional manufacturing industry awareness campaign**

The manufacturing industry is crucially important to the region's economic success. Manufacturing makes up more than 20 percent of the region's private sector employment and pays some of the highest median wages. However, residents don't necessarily know what types of jobs are available and what skills, education, and experience they need to access them. SAWDC provides its annual Worlds of Opportunity expo for eighth graders, which is highly regarded by employers and educators. This work should be built on by seeking the resources to contract with a professional marketing firm to conduct a comprehensive marketing campaign. The primary goal of this campaign would be to inform all residents about the centrality of manufacturing to the region and what the critical jobs and the educational criteria are for the industry. The National Association of Manufacturers supports Dream It. Do It.<sup>20</sup> manufacturing marketing campaigns at the state level to surface the importance of the manufacturing industry and to demonstrate the excellent career opportunities it provides. The employers could also use as a model the Southern Alabama Area Health Education Center's efforts to make students in the region aware of careers in the medical field, facilitate job shadowing opportunities, and work with colleges and universities to place their clinical studies students in rural areas.

The campaign could also expand its breadth by linking to the broader economic development goals of the counties in the region. (See Group 7)

- **Support the development of training for incumbent worker career advancement**

Developing incumbent workers to advance within an organization is smart business. Incumbent workers in the industry represent a key pool of workers for more advanced positions. Many companies in this sector place a strong priority on experience when hiring for middle-skill jobs. However, given the low educational achievement rates of many in the workforce, many incumbent workers are unable to advance without additional training. Many workers in the region face significant barriers to participating in training. Many of these people have not been in formal education for many years, and this can be compounded by the long travel distance to existing training programs.

A comprehensive analysis of the needs of companies and incumbent workers for upskilling should be conducted. SAWDC and its partners should enhance efforts to provide cost-effective, convenient, and efficient incumbent worker training. Specific ways this could be accomplished include developing local or employer-based training sites, portfolio programs to give workers credit for what they have learned on the job, and creating work-based learning models that



would allow workers to learn more while engaged in work processes, filled in with formal education where necessary.

There are several kinds of collaborative models between employers and training providers to address the upskilling of incumbent workers. The Multi-State Advanced Manufacturing Consortium,<sup>21</sup> led by Henry Ford Community College (MI), consists of 13 community colleges across 10 states. Each consortium member worked closely with auto industry leaders such as GM, Chrysler, and Ford to develop competency-based curriculums and offer hands-on education in manufacturing. Using a performance-based objective process, they developed customized skills check sheets to assess student or employee skills in the classroom or on the plant floor. In addition, Toyota West Virginia donated \$1 million to launch the Advanced Technology Center at BridgeValley Community & Technical College.<sup>22</sup>

In addition, several states, including Connecticut,<sup>23</sup> Massachusetts,<sup>24</sup> and Florida,<sup>25</sup> have developed incumbent worker training funds. Employers are eligible to apply for state funding to train their current workers. This can be used to fund training by community colleges, four-year colleges and universities, and for-profit training providers. The Connecticut Manufacturing Innovation Fund Incumbent Worker Training program provides financial assistance to Connecticut manufacturers for growing innovative and technology-based manufacturing business in Connecticut. The goals are:

- To support advanced manufacturing and innovative companies in their efforts to train incumbent workers in the appropriate skills to meet current and emerging market needs.
- To bring technological innovation to the market and help manufacturing companies leap ahead in productivity and efficiency by enhancing the skills of their current workforce.
- To maintain sales and grow revenue and profitability.

It is also a matching fund program to help manufacturing companies provide training for their workforce. It offers up to \$100,000 per employer, per calendar year equal to the approved amount. For example, if a company is provided \$50,000 in Manufacturing Innovation Fund Incumbent Worker Training program funds, the employer must also provide at least \$50,000 in matching funds, totaling \$100,000.

- **Develop training programs that combine alternating learning and working periods**

A key point raised by manufacturing business leaders during this research is that training alone is not enough to make people workforce ready. They also need on-the-job experience. In talking about industrial electricians, a critical occupation in the region, business leaders indicated they were looking for close to a journeyman's level of experience, which could not be provided by traditional Associate's degree programs, even if the student worked summers between college semesters. The region's community colleges should be encouraged to pilot an Associate's degree training program that would alternate quarters (four per year) of education and work, allowing students to obtain an Associate's degree in three or four years, rather than the traditional two years, but with far more hands-on work experience than can be obtained currently.

This would have several advantages. Students would earn significant wages for half of each year, allowing them to graduate with less financial aid debt. The arrangement would make education more accessible to students who can't afford to stop working to enter a full-time program. Students would also gain from having far greater work experience on their resumes than is currently possible. Businesses would benefit from having their workforce needs better met by having a pool of more experienced workers available.

A model for this kind of earn and learn model is FAME – Federation for Advanced Manufacturing Education. Developed by Toyota's North American Production Support Center in Kentucky, the program allows students to earn a two-year Associate's degree that includes five-straight semesters of course work. The learner spends two days at school and three days at work each week, allowing for significant on-the-job training, course work that is work-related, and an income in a chosen field.<sup>26</sup>

- **Development of formal and informal apprenticeships**

To better meet the experience requirements for critical occupations, SAWDC and its partners should explore apprenticeship models and determine their applicability to the needs of the manufacturing industry in the rural region. Funding options specific to apprenticeships currently exist and could be accessed by the state of Alabama, SAWDC, and its partners.

Macomb Community College and the Michigan Coalition for Advanced Manufacturing developed a registered apprenticeship in which employers provide paid, on-the-job training. M-CAM<sup>27</sup> involves eight colleges, employers, and the public workforce system, who collaboratively build seamless pathways to credentials with labor-market value and jobs in Michigan's manufacturing sector.

Apprenticeship Carolina,<sup>28</sup> a division of the South Carolina Technical College System, works to ensure that all employers in South Carolina have access to information and technical assistance to create demand-driven registered apprenticeship programs. These apprenticeships are available in a wide variety of industries, including manufacturing, health care, and information technology. The program provides apprenticeship consultants who work with companies to develop apprenticeships. In 2007, South Carolina had 777 apprentices. There are now more than 11,000 and they are averaging more than 120 new apprentices per month.

RevUp Montana<sup>29</sup> is another apprenticeship example. RevUp Montana is led by Great Falls College-MSU, the state's community colleges, and the Department of Labor and Industry. The program engaged 579 business partners (72 percent of all listed manufacturers in the state), to design and initiate registered apprenticeship programs and create a new system of short-term incumbent-worker training modules to upskill workers to meet the needs of manufacturers in the state.

- **Support the development of a satellite community college training center in Washington County**

Washington County has the highest concentration of non-durable goods manufacturing companies in the region. These companies face a high demand for an educated workforce due to both current demand for workers and because they face an upcoming retirement crisis. The critical occupations of plant operator, industrial maintenance, instrumentation and electronics technician, and industrial electrician all require community college education and work experience. The region's community colleges have the required training. However, all of them are located a significant travel distance from these employers. This is a barrier to upskilling and integration of the training programs and the employers. SAWDC and its partners should pursue creating a training center in Washington County, closer to the concentration of companies in this industry. The center could provide training for both new jobseekers and incumbent workers.

### Health Care

Interestingly, few of the health care leaders in the region have a current nursing shortage. However, almost all the people interviewed in health care were concerned that the average age of their nurses is over 50. The retirement wave is clearly on the horizon for nursing. The region has several well-thought-of nursing programs, such as Reid State Technical College and Alabama Southern Community College, that produce quality graduates, but more needs to be done to be sure that the supply of health care workers will meet the demand. Specifically, developing career pathways that lead CNAs and LPNs into higher-skill, higher-paying jobs is essential to widening the pipeline of skilled health care workers, as is improving working conditions and educating young people and their families about the wide variety of middle-skill jobs available in health care.

- **Develop retention and recruitment efforts to address upcoming nursing retirements**

There was concern that many of these graduates leave the region upon graduation. Maximizing retention of these new graduates in the region will be very important over the next 10 years. Employers will need to examine workplace policies to see if changes are required to improve retention.

The region also has an opportunity to recruit new nurses from outside the region. In many metro regions and suburban areas, hospitals prioritize hiring only RNs with Bachelor's degrees. This was not the case for any of the health care providers interviewed for this research. Therefore, a national recruitment campaign for Associate's degree nurses who are looking for hospital employment could be productive. However, other employers commented on the difficulty of recruiting more professionals to the area. An examination of the reasons health care graduates do not stay in the area or why other employers can't entice some workers will be important to the recruitment of these critical health care workers as well as employees in other sectors.

- **Bring new models of training to the region to support career pathway development to produce more nurses and other caregivers from the existing workforce**

New models of training are another way to supply the region's needs for additional nurses and other caregivers. These could include work-based learning, programs that connect K-12 and higher education, incumbent worker training, and apprenticeships. Work-based learning takes a number of forms, but at its core it involves using work processes as part of the training program. Work-based learning has been demonstrated to assist in training incumbent health care workers for career advancement to positions including nursing. Training new nurses from a pool of people who have already demonstrated commitment to the health care field and to specific employers in the region is a great opportunity to offset some of the expected nursing retirements.

Programs to institute work-based learning include:

- The H2P (Health Professions Pathway)<sup>30</sup> was created with TAACCCT grant funding in 2011. It is a partnership of nine colleges. The program includes a competency-based core curriculum to assure basic knowledge, avoid repetition of courses, expose students to a variety of health pathways, and earn industry recognized stacked credentials. The grant required collaboration between community colleges and workforce investment boards, career assessment and credit for prior learning, intrusive advising, and wraparound supports. Jefferson Community and Technical College (Louisville, KY) created "grow your own" incumbent worker training programs with regional health systems, which are designed stackable credentials based on industry needs.
- Rhode Island Nurses Institute Middle College<sup>31</sup> is a charter high school in Providence, RI, created to build a pipeline of nursing candidates while offering opportunities to disadvantaged youth in the state. Students attain a high school degree while taking prerequisites for entry into one of the state's Bachelor of Science in Nursing programs. They also acquire certified nursing assistant credentials.
- New Paths to Professional Nursing,<sup>32</sup> a program of the Robert Wood Johnson Foundation's New Jersey Health Initiatives, funded partnerships of nursing schools and health care employers (hospitals and long-term care) to enable incumbent entry-level workers (and LPNs, in one site) to enter a pathway to Bachelor of Science in Nursing. Students received intensive coaching and tutoring, financial support, and mentoring from both faculty and nurses in their workplaces. Many of them have completed prerequisite courses and are now enrolled in BSN programs.
- CareerSTAT,<sup>33</sup> an initiative to document and endorse the business case for investments in frontline hospital workers and to promote investments that yield strong skill development and career outcomes for low-wage, frontline hospital workers, would be a good resource for health care employers to turn to for additional best practices.

- **Build stronger relationships with regional home health organizations**

Home health care is the fastest growing sector of the health care industry and is projected to continue growing rapidly for at least the next 10 years. Developing a strong relationship with home health businesses serving the rural counties will be particularly important in serving the entire health care workforce.

- The Paraprofessional Healthcare Institute<sup>34</sup> works to transform eldercare and disability services. PHI promotes quality direct-care jobs as the foundation for quality care. PHI is based in New York City, where it sponsors a service network that provides high-quality home care for thousands of elders and people with disabilities. Cooperative Home Care Associates,<sup>35</sup> a South Bronx home care agency owned by its 1,920 employees, which includes an employer-based training program that trains hundreds of inner-city women each year. CHCA was founded in 1985 to provide quality home care to clients by providing quality jobs for direct-care workers. CHCA started with 12 home health aides. It maintains an employer-based workforce development program that provides free training for 600 low-income and unemployed women annually.
- The SEIU Healthcare NW Training Partnership (Washington State)<sup>36</sup> has developed a successful registered apprenticeship program for home care aides, responding to increased training standards for home care workers as well as high turnover and a lack of career opportunities in this occupation. Employers and participants have expressed strong satisfaction with the results.

## Transportation and Warehousing

- **Support targeted commercial driver's license training**

Across the country, the occupation "truck driver" often has one of the highest number of job postings. Research shows, however, that these postings often inflate the number of positions to be filled. These jobs tend to have high turnover, so employers leave the postings up to ensure a steady stream of applicants. Interviews with Alabama Career Centers staff confirm that commercial driver's licenses are in high demand in the region. Recently, Bishop State Community College conducted a CDL class in the region in partnership with the local America's Job Center in Jackson. Additional targeted training, in collaboration with local employers, should be explored. Given the high cost of providing this training, metrics to determine effectiveness, as described below should be included in any additional training investment.

## Group 6: Engage in Additional Economic Development Activities.

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Our work focused on how to improve workforce development opportunities in the rural counties of the SAWDC region. While conducting the analysis, it became clear that one of the elements of improving the employment outcomes for the workforce is related to the overall opportunities available in the employment area. Some recommendations as to how SAWDC and its stakeholders can think about enhancing the employment opportunities include:







## PRIORITIZING ACTIONS

As noted, there are a large number of recommendations for SAWDC and its stakeholders to consider and implement. Each recommendation has the potential to improve the workforce development opportunities within the region. However, most of these recommendations will require the cooperation and resources of more than one organization and may require significant planning and new funding to be implemented. In fact, many of the recommendations may require state action and others may be influenced by federal policy. Here is a list of questions or criteria that SAWDC and its partners can use to determine which options to focus on and in what order.

**Low-hanging fruit.** Have any of these recommendations been suggested previously and are ready for a new champion to be implemented? Or are any of them part of a bigger strategy to which it could be added?

**“No man is an island.”** Very few of these recommendations can be accomplished unilaterally, but some may require the approval or involvement of fewer stakeholders than others. Each recommendation needs to be evaluated as to the number of players required to make change happen. A stakeholder analysis will reveal whether a change can be made with just regional stakeholders or whether state or federal actors are required.

**Sphere of influence.** Do the rural regional players have the connections with the external stakeholders to make the change required? What level of commitment is required from outside the rural area? Are other players necessary to influence the necessary decision makers? How will recruiting these stakeholders delay the change process?

**Financial implications.** What are the costs of making this change? Do the regional stakeholders have the funds available or does it require new funding sources or taking funding from other areas?

**State priorities.** Does this change align with any existing state projects or initiatives that could be leveraged?

**Federal priorities.** Does this change align with any existing federal projects or initiatives that could be leveraged?



