



Governor's Workforce Board Rhode Island



Biennial Employment & Training Plan FY2014 and FY2015



LINCOLN D. CHAFEE, GOVERNOR

CONSTANCE A. HOWES, CHAIR

RICK BROOKS, EXECUTIVE DIRECTOR

**THE BIENNIAL EMPLOYMENT AND TRAINING PLAN FOR FY2014
AND FY2015 WAS ORIGINALLY PUBLISHED IN OCTOBER 2012
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Lincoln D. Chafee
Governor



OFFICE OF THE GOVERNOR

October 31, 2012

When asked what my philosophy for improving the Rhode Island economy entails, my answer is straightforward: focus on education, infrastructure, and, perhaps most important, *workforce development*.

Improving our economy will take investments in each of those areas and a commitment by both the public and private sector to be fully engaged partners so that workforce needs are clearly identified and gaps are narrowed accordingly. Ensuring Rhode Island employers have the trained workers needed to grow our economy, and connecting potential employees with the necessary skills and training to help them get hired, is more important now than it has ever been.

The Governor's Workforce Board's Biennial Employment and Training Plan provides all of the data to describe the current workforce situation in the state, and it paints a stark picture that there is more to be done to connect workers to employers and workers to training. The job of government is not to create jobs, but to create the right environment for companies to grow and hire more workers. That is why I see this report as a unique opportunity for us to move our economy and our workforce forward.

The report outlines more than a dozen important action steps to improve our state. I believe if we do the following four steps well, we can affect change in the right direction:

- Improve inter-agency collaboration on all workforce matters;
- Undertake a marketing effort to increase the number of job seekers and employers that rely on EmployRI and the information it provides;
- Expand access to career pathways through adult education, work-readiness, career exploration, internships, and job placement; and
- Promote a statewide internship campaign to provide work experience and connect high school students, college students, recent graduates, out-of-school youth and unemployed adults with Rhode Island employers.

Let's work together to foster better economic conditions for our great state.

Lincoln D. Chafee
Governor

Governor's Workforce Board Members

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ABOUT THE COVER:

Newly hired Brian Chiaradio discusses marketing with colleague Ed Kedzierski at the Cranston-based IT company, Netsense. Brian was one of many 2012 IT summer fellowship recipients who were subsidized by Governor's Workforce Board funds.

ABOUT THIS REPORT:

The Biennial Employment & Training Plan for the State of Rhode Island for FY2014 and FY2015 is required by RIGL 42-102-9 (h):

The council shall biennially develop an employment and training plan for the state to be submitted to the governor and the general assembly commencing March 15, 2012* and covering the subsequent two fiscal years. The biennial plan shall outline goals and objectives of the coordinated programs system, major priorities needed for the next two (2) year period, and policies and requirements necessary to meet those priorities. The council shall provide a funding plan necessary to achieve system priorities and to serve the anticipated number of participants and shall identify the general revenue funds necessary to meet program needs, taking into account anticipated federal, private and other sources of funds.

*NOTE: The deadline for submission was subsequently extended to October 31, 2012.

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Executive Summary

GWB Biennial Employment & Training Plan (FY2014 and FY2015)

Governor's Workforce Board Major Priorities for Fiscal Years 2014-2015

Employer Partnerships

The public workforce system must engage employers as full partners to ensure that training and education are responsive to, and aligned with, employer needs.

Work Readiness

All youth and adults must have the opportunity to acquire core literacy, numeracy and work-readiness skills necessary to succeed in the workplace.

Career Pathways

The public workforce system, in partnership with employers, must provide youth and adults with a continuum of training, education, work experience and supportive services that lead to good jobs and careers in high-growth, high-demand, strategically important sectors of the Rhode Island economy.

Public Workforce System

The public workforce system must be fully integrated in order to coordinate planning, funding, and services; evaluate and report the effectiveness and efficiency of services; and align with state economic development strategies.

In 2011, the Rhode Island General Assembly directed the Governor's Workforce Board to develop a biennial employment and training plan that would provide an analysis of current workforce funding, an analysis of gaps in meeting the needs of workers and employers, and a plan for workforce spending in Rhode Island.¹ The Governor's Workforce Board, in conjunction with an advisory group of relevant state agencies and other stakeholders, conducted an intensive planning and analysis process, resulting in this report and recommendations to the Governor and General Assembly. This Biennial Plan report considers current and emerging needs of industry and employers, the ability of the workforce to meet those needs, and the capacity of the workforce system to provide services and programs to meet both of those needs. The plan also recommends major priorities for the public workforce system over the next two fiscal years, and offers action steps and funding strategies to accomplish these priorities.

OVERVIEW

The Rhode Island economy continues to lag the nation in recovering from the deep recession of 2008. In fact, the state's economic downturn began before the rest of the country and has lasted longer, with Rhode Island consistently in the top four highest unemployment states. As of September 2012, this trend continued, with unemployment standing at 10.5 percent.

Rhode Island faces critical choices in how to revitalize the economy and set it on a path of growth and prosperity. Central to this revitalization is an integrated workforce development system in which policy, funding and programs are closely coordinated and aligned with state economic development strategies to increase the skills of the Rhode Island workforce to meet the needs of high-growth, well-paying Rhode Island businesses. In this context, and in the face of diminishing federal resources, Rhode Island's workforce system is seeking to determine how it can best add value to the economic recovery. To address the gaps in workforce skills, training and funding, the Governor's Workforce Board offers the following findings and recommendations organized by labor demand, supply, and funding and services.

¹ RIGL §42-102-9 (h).

GWB Biennial Plan

FINDINGS: SKILLS AND EDUCATION NEEDED BY EMPLOYERS

- Rhode Island has lost 39,700 (8%) of its jobs since the peak of employment in 2006. There is not a shortage of workers to fill positions except at the highest skilled occupational levels.
- Job growth from 2010 to 2020 is projected to yield a net increase of 52,372 jobs, based on a Bureau of Labor Statistics model that assumes full employment (i.e., an unemployment rate of 5.2 percent).
- The top five growth sectors are projected to be Health Care, Hospitality, Retail Trade, Professional/Technical, and Educational Services.
- Projected job growth through 2020 indicates that Rhode Island will continue to have an economy in which 48 percent of all jobs are entry level or below and 52 percent are either middle- or high-skilled jobs.
- Projected job openings (growth plus turnover) will average 17,006 per year. Of those, 10,804 are projected to be high-growth occupations, 58 percent of which will be lower skilled jobs.
- Even with high unemployment, employers report a skills mismatch between what they need and what the Rhode Island workforce provides, citing lack of work readiness for entry-level jobs, specific technical skills shortages at middle- and high-skill levels, and a lack of work experience at every level

of the labor market.

FINDINGS: RHODE ISLAND WORKFORCE

- Data shows that 60.4 percent of working-age Rhode Islanders (ages 18-64) have post-secondary education or above, while 39.6 percent of working-age adults hold only a high school degree (27.2%) or less (12.4%). Six percent lack English proficiency.
- Less-skilled and lower-educated individuals are more likely to be unemployed, or, if employed, to work fewer weeks per year and fewer hours per week, decreasing their earnings.
- Black and Hispanic Rhode Islanders are disproportionately lower skilled and lower educated.
- Unemployment insurance claimants are disproportionately entry-level workers.
- Youth experience much higher unemployment rates than the average population. For 16-19 year olds, the average annual unemployment rate in 2011 was 29 percent.
- Over 14,000 people were released from Rhode Island prisons in FY2012, and over 25,000 were on parole or probation.
- Reductions in public subsidies for child care severely impact parents' ability to find and retain full-time employment.
- The ratio of unemployment claimants (those collecting unemployment benefits) to job postings on the EmployRI website is 2.7 to 1. The only two occupational groups with more job postings than unemployment claimants are Health Care and Technology.

Executive Summary, *continued*

About the Governor's Workforce Board Rhode Island and the Public Workforce System

The Governor's Workforce Board (GWB), established by Executive Order on September 22, 2005, integrated the functions of the State Workforce Investment Board (SWIB) and Human Resource Investment Council (HRIC). The GWB is the primary policy-making body on workforce development matters for the State of Rhode Island, and has statutory responsibility and authority to plan, coordinate, fund and evaluate workforce development activities in the State. The GWB consists of 18 members representing business, labor, education, community, and government – all of whom serve as members of the SWIB to oversee federal Workforce Investment Act Title I-B funds, and 13 of whom also serve as members of the HRIC to oversee state Job Development Funds.

The public workforce system in Rhode Island is comprised of the Governor's Workforce Board, the two local workforce investment boards, the Office of Higher Education and the following Departments: Labor and Training; Education; Human Services; Corrections; Children, Youth and Families; and Behavioral Healthcare, and Developmental Disabilities and Hospitals. While workforce development has not historically been the core mission of K-12 and higher education, they are also crucial partners in the public workforce system. However, their role is outside the scope of this report.

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FINDINGS: WORKFORCE DEVELOPMENT FUNDING AND SERVICES

- Rhode Island spent \$54,020,594 in public dollars on a wide range of workforce programs (77% federal funds and 23% state funds). Most state funding for workforce development comes from the Job Development Fund.
- Private employers, unions, philanthropies, targeted federal grants and individuals provide significant additional resources.
- With the end of American Recovery and Reinvestment Act (ARRA) funding, Rhode Island has experienced a decrease in federal funding of over \$8 million from FY2012 to FY2011 and anticipates a further eight-percent reduction in FY2013 of \$2.5 million.
- The majority of workforce funds (53%) is spent on the transitional workforce – unemployed adults over the age of 18 – in a range of job placement, job readiness and skills training programs. Twenty-four percent is spent on youth, 20 percent on adult education, three percent on system development and less than one percent on incumbent workers.
- There is a range of programs available throughout the state producing positive outcomes for residents in skills training, job placement and educational outcomes. However, most programs are facing funding cutbacks and are struggling to do more with fewer resources.
- There are gaps at every level of the workforce system in meeting the needs of employers and of workers. The system is constrained by a number of factors, including a lack of adequate funding at every level and by the federal restrictions on use of funds for specific populations or purposes.
- Of the 71,554 Rhode Islanders who are served by the workforce system, 57,504 (80%) receive employment services such as job search, job matching, and resume development; 7,201 (10%) receive adult basic education or ESOL services; and 6,351 (9%) receive occupational skills training.

CHART 1: RHODE ISLAND WORKFORCE DEVELOPMENT SYSTEM FY2012

	State Funds	Federal Funds	TOTAL	% of total
Youth Workforce	\$1,792,252	\$11,036,523	\$12,828,775	23.7%
Transitional Workforce	\$1,158,898	\$27,744,460	\$28,903,358	53.5%
Incumbent Workforce	\$273,257	\$0	\$273,257	0.5%
Adult Education	\$7,704,280	\$2,850,776	\$10,555,056	19.5%
System Development	\$1,460,148	\$0	\$1,460,148	2.7%
Total FY2012 Workforce Investment	\$12,388,835	\$41,631,759	\$54,020,594	100%
State/Federal Share	23%	77%		
FY2012 Related State Spending				
FY2012 Public Higher Education	\$166,487,200			
FY2012 Public K-12 Education	\$863,077,600			

Executive Summary, continued

MAJOR PRIORITIES

The findings in this report make clear that gaps in education, skills, and resources exist throughout the workforce system that affect employers, workers and the economy. As such, additional resources are needed in virtually every part of the workforce development system.

By statute, the Biennial Employment & Training Plan is required to identify “major priorities” for the next two fiscal years, along with a funding plan necessary to achieve these priorities. The Governor’s Workforce Board has identified four major priorities for workforce development, and recommends action steps to achieve these priorities. Each of the action steps below indicates the extent to which resources currently exist to accomplish the priority, and identifies the approach that will be necessary where designated funding is not currently available, based on the following key:

- * Can be accomplished with existing resources
- ^ Requires reallocation of existing resources
- + Requires leveraging of private sector resources
- \$ Requires additional public and/or private funds

PRIORITY: EMPLOYER PARTNERSHIP

The public workforce system must engage employers as full partners in order to:

- identify current and anticipated job vacancies, requirements, and training needs.
- fill existing job vacancies with qualified job seekers.
- develop workforce education and training programs that prepare workers with the skills, experience, and work-readiness that employers need.
- provide internships, on-the-job training, apprenticeships, worksite tours, and other opportunities for experiential learning.
- provide critical feedback to the workforce development system.

Action steps

1. Market the EmployRI website, and solicit feedback to improve usability and increase participation by employers and job seekers . ^ +
2. Analyze the requirements of current job vacancies and the skills of job seekers in order to accelerate hiring, identify skills gaps and prioritize skills training. ^
3. Exempt the Job Development Fund (JDF) from the State’s 10 percent cost recovery in order to increase available funds to address employer workforce needs. ^ \$
4. Leverage employer support for internships, on-the-job training, summer youth employment, and other experiential learning opportunities through the use of grants, tax credits and/or other incentives. ^ +
5. Enlist a team of private sector champions to promote, challenge, and engage business leaders to participate actively in the workforce system to ensure that workforce development efforts are informed by, and responsive to, employer workforce needs. *

GWB Biennial Plan

PRIORITY: **WORK READINESS**

All youth and adults must have the opportunity to acquire core literacy, numeracy, and work-readiness skills necessary to succeed in the workplace, including:

- English language proficiency;
- literacy (including digital literacy) and numeracy;
- communication skills;
- job search skills;
- interpersonal skills;
- critical thinking skills; and
- work ethic and conduct.

Action Steps

1. Expand resources for target populations with low skills and additional employment barriers (e.g., veterans, ex-offenders, out-of-school and at-risk youth, TANF recipients, long-term unemployed, homeless, and disabled individuals). **^ + \$**
2. Expand access to career pathways through contextualized adult education, work-readiness, career exploration, internships, case management and job placement. **^ \$**
3. Establish a statewide, employer-recognized work-readiness credential to be incorporated into workforce education and training programs. *****
4. Expand subsidized summer youth employment opportunities. **+ \$**

KEY

***** Can be accomplished with existing resources

^ Requires reallocation of existing resources

+ Requires leveraging of private sector resources

\$ Requires additional public and/or private funds

PRIORITY: **CAREER PATHWAYS**

The workforce system, in partnership with employers, must provide youth and adults with a continuum of training, education, work experience and supportive services that lead to good jobs and careers in high-growth, high-demand, strategically-important sectors of the RI economy. These services include:

- academic and career advising;
- contextualized adult education;
- occupational skills training;
- industry-recognized credentials;
- internships; and
- post-secondary education.

Action Steps

1. Promote dual enrollment academic programs (i.e., secondary / post-secondary) linked to growth sectors of the economy. **^ + \$**
2. Expand the use of Career and Technical High School facilities to train adults and out-of-school youth for career pathways. **^ + \$**
3. Promote a statewide internship campaign to identify and develop talent for employers, and provide work experience and connections to employers for high school students, college students, recent graduates, out-of-school youth and unemployed adults. **^ + \$**
4. Expand the use of on-the-job training, pre-employment occupational skills training and targeted hiring subsidies to prepare the workforce for career pathways. **+ \$**
5. Establish seamless career pathways linking K-12 to higher education, and higher education to employers. **^ + \$**

Executive Summary, continued

PRIORITY: PUBLIC WORKFORCE SYSTEM

The public workforce system must be fully integrated in order to:

- coordinate interagency planning, funding and services.
- develop and expand compatible data systems to improve evaluation and reporting.
- establish clear performance expectations and accountability.
- align workforce development strategies with economic development strategies.
- align workforce development with statewide planning.
- identify adequate resources to support an effective and efficient delivery system.

Action Steps

1. Improve the effectiveness and efficiency of the public workforce system by directing existing inter-agency teams to:
 - a. develop uniform performance measures and accountability structures to track progress on achievement of Biennial Plan priorities. [^]
 - b. examine and upgrade current data and reporting systems. ^{* ^}
 - c. identify opportunities to align and/or reallocate existing state and federal funds to address Biennial Plan priorities. ^{*}
2. Appoint a representative of the Governor's Workforce Board to the board of the Economic Development Corporation, and appoint a representative of the Economic Development Corporation to the Governor's Workforce Board. ^{*}
3. Expand interagency participation and resource support for netWORKri Career One-Stop Centers. [^]
4. Increase the frequency of cabinet-level meetings on workforce development matters. ^{*}

DATA LIMITATIONS

The Biennial Plan provides the first-ever detailed analysis of the entire workforce system, including how funding is spent by education/skill level, type of service and population. It also details current federal, state, private and other funds. However, because the Biennial Plan has sought and relied upon numerous sources of data – many of which had never been previously compiled in the manner required by this process – there are important challenges and limitations in working with the data that must be noted.

- In Rhode Island, 77 percent of public workforce funds come from a variety of federal sources, each with its own distinct data collection requirements, which result in few common measures by which activities can be compared and evaluated.
- The workforce development system includes at least six state agencies, two local workforce boards, and dozens of education and training providers, all with varying capacities and approaches to data collection, analysis and reporting.
- Agency data collection systems are often incompatible, creating difficulty in aggregating and analyzing data.
- Comparative cost-benefit analysis and cost-per-service are particularly challenging to determine due to different cost allocation methodology among workforce agencies, as well as inconsistencies in defining and measuring certain outcomes.
- Occupational and industry growth projections for Rhode Island are based on national models that assume a full-employment economy in 2020 (i.e., an unemployment rate of 5.2%).
- Data regarding employer workforce needs are difficult to obtain and are based largely on survey responses from relatively small numbers of employers.

Creating Work Opportunities



At age 20, Sean Prim explained his history this way: “People never had really high expectations of me, and I made some bad decisions.”

After earning his GED and doing some work in construction, he decided on a career goal. “I just wanted to work at a place where people wouldn’t expect me to work—a place where people wouldn’t think I would actually be able to make it.”

As a YouthWorks411 center client at Family Resources Community Action, Sean had assistance connecting with summer employment at a local fast-food restaurant—a job placement that helped him gain work experience, but did not exactly defy expectations. Then one day, his YouthWorks411 counselor asked him a life-changing question, “Have you ever heard of Electric Boat?”

The submarine builder had just entered into a collaboration with the Governor’s Workforce Board and its defense industry partnership, SENEDIA, whereby YouthWorks411 centers were recruiting suitable interns for subsidized, short-term work assignments. After an intensive background check, a drug test and an aptitude assessment, Sean was placed in one of 11 youth internship slots.

Sean understood the opportunity afforded him through this program, and told himself, “I’ve got eight weeks to prove myself to them so they’ll keep me.” As soon as he made it to the assembly floor, he began to look for opportunities to put his math and construction skills to work, even though he lacked formal training in ship fitting. “I observed for about a week before I asked my foreman, ‘Can I at least lay out an assembly?’”

This is how Sean’s summer experience continued, asking questions and asking for more responsibility. “When I find things unique to me, I really want to learn all I can about them. That’s what motivates me to learn more,” he said.

When Sean’s summer internship was completed, he was called to the Electric Boat employment office. In his exit interview, staff asked him, “What did you learn?” and “Did you like it?”

Sean remembered his goal of exceeding others’ expectations for him, and couldn’t help but gush, “I love it here, this would be a dream job for me and I honestly don’t want to leave.”

And, it was right after the Electric Boat staff member spoke the following that Sean Prim started to tear up. “I’ve got good news for you,” the staffer told him. “You’re not leaving.”

I: Introduction

BIENNIAL EMPLOYMENT & TRAINING PLAN

In 2011, the Rhode Island General Assembly directed the Governor's Workforce Board to develop a biennial employment and training plan that would provide an analysis of Rhode Island's workforce funding and gaps in meeting the needs of workers and employers and would develop a plan for workforce spending for the state. This Biennial Plan report provides an analysis of the current and emerging needs of industry and employers, the ability of the Rhode Island workforce to meet those needs, and the ability of the workforce system to provide services and programs to meet both of those needs.

The Governor's Workforce Board in partnership with the Rhode Island Public Expenditure Council has led the development of the Biennial Plan. Working together, a process was established to collect both quantitative and qualitative data, and to conduct an analysis of the workforce system and its ability to meet the needs of both businesses and workers.

A Biennial Plan Advisory Group (Appendix 2), required by statute, met on eight occasions to develop a framework and to discuss and analyze the data. The range of stakeholders with expertise in workforce development included the following:

State and Local Agencies: Department of Labor and Training, State Workforce Investment Office, Local Workforce Investment Boards, Department of Human Services, Department of Education, Department of Corrections, Office of Higher Education, Department of Children, Youth and Families, Economic Development Corporation, Office of Rehabilitation Services

Business: Chambers of Commerce, Governor's Workforce Board Industry Partners, Society of Human Resource Management

Higher Education: Office of Higher Education, Community College of Rhode Island, New England Institute of Technology

Non-Profits: Economic Progress Institute, Rhode Island Foundation, United Way of Rhode Island

Labor: Institute for Labor Studies and Research

The advisory group developed a framework within which the analysis occurred, and then worked to collect the relevant data, analyze the data, and identify the system gaps. Labor market data came primarily from the Department of Labor and Training's Labor Market Information Unit, which has just completed the new 10-year occupational and industry projections for the state. Population data came primarily from the American Community Survey, which collects census-like data on an annual basis. The Rhode Island Public Expenditure Council was invaluable in gathering and analyzing this data as well as in their support and analysis throughout the process. Program data came from the state agencies overseeing workforce funding, as well as private foundations.

RELATED EFFORTS TO THE BIENNIAL PLAN

This Biennial Plan report builds upon significant work already completed by state agencies over the past several years:

The Governor's Workforce Board Strategic Plan (2009-2014) was the result of a year-long planning process in which employers, public agencies, advocates and other stakeholders used labor market information and an analysis of the workforce system to develop a set of strategic priorities for the system. That plan will be reviewed and updated, and will be informed by this Biennial Plan.

The Unified Workforce Development Expenditure and Program Report (UEP), mandated by the General Assembly, has provided an in-depth catalogue of all workforce spending in Rhode Island in each of the past two years. The UEP

This Biennial Plan report provides an analysis of the current and emerging needs of industry and employers, the ability of the Rhode Island workforce to meet those needs, and the ability of the workforce system to provide services and programs to meet both of those needs.

Biennial Plan Framework for Analyzing Gaps and Needs

The advisory group used a labor market framework to analyze Rhode Island's workforce system. To gauge the system's effectiveness in meeting needs, and to identify gaps, the advisory group analyzed the demand for workers and their skills and education, the profile of the Rhode Island labor force, and public workforce programs that are working to bridge the gap between supply and demand. Because education and skill levels are so critical to the worker, or supply side analysis of the labor market, the Biennial Advisory Group chose to establish four levels of employer "demand" and workforce "supply" based on education levels, and on the demand side, employer training requirements. There is no simple set of data available on the workforce side to analyze skill levels, so education is the best proxy available.

EDUCATION AND SKILL LEVELS

Very Entry-Level: Those individuals whose education level is less than a high school credential or occupations that require less than a high school credential.

Entry-Level: Individuals who have attained, and jobs that require, a high school credential.

Mid-Level: Individuals who have some form of post-secondary education or training, inclusive and up to an associate degree; and occupations that require post-secondary education or training up to an associate degree.

High-Level: Individuals who hold, and occupations that require, a bachelor's degree or higher.

CATEGORIES FOR WORKFORCE DEVELOPMENT FUNDING ALLOCATIONS

Youth: 18-24 year olds.

Transitional Workers: Unemployed and underemployed individuals.

Incumbent Workers: Those individuals currently employed.

Workers Needing Adult Education: This category spans those engaged in English as a Second Language, GED or Adult Basic Education programs.

identifies federal and state funding streams, the populations served, and the outcomes resulting from the workforce programs.

Building upon these collaborative efforts, and because both the Strategic Plan and the UEP point at the problem of program silos in the workforce system, the Department of Labor and Training recently secured a \$2.7-million Workforce Innovation Fund grant from the US Department of Labor. The grant focuses on improving the efficiency and effectiveness of the workforce system to better serve Rhode Island's workforce needs, rather than serving only the requirements of the funding source.

Each of these bodies of work has been critical because they have:

- laid the groundwork for closer collaboration across public agencies;
- made plain the constraints of the current workforce system; and
- begun to illuminate where and how gaps exist in the workforce system in meeting the needs of employers and workers and in building a strong and qualified workforce that can support the state's economic recovery and stability.

II: Skills & Education Needed by Employers

This section provides an overview of the current and future workforce needs of employers by industry and by specific occupations, and includes direct feedback from employers in several industries on their employment needs.

MAJOR INDUSTRIES AND TRENDS

Rhode Island lost 39,700 or 8 percent of its jobs since its peak in 2006. Job growth through 2020 is projected to yield a net increase statewide of 52,372 jobs. This estimate is based on Bureau of Labor Statistic's assumption of a full-employment economy. In other words, if Rhode Island experiences optimal growth, we will have slightly more jobs in 2020 than we did in 2006.

Rhode Island's economy today is a primarily service based economy. Health care and social assistance comprise almost one in five jobs, while

retail trade and accommodation/food services combined make up an additional one in five jobs.

The top five industries with the highest projected increase in the total number of *new* jobs also represent five of the six largest industries in Rhode Island. Chart 2 illustrates the projected increase in the number of jobs in Rhode Island's major industry sectors.

"Self-employed and unpaid family workers" collectively comprise the fifth largest category of workers (41,200) and work in numerous occupations and sectors – e.g., construction workers, insurance and real-estate agents, doctors and lawyers – but is not considered an "industry sector."

CHART 2: ESTIMATED AND PROJECTED EMPLOYMENT IN MAJOR INDUSTRY SECTORS WITH THE HIGHEST NET CHANGE, 2010 -2020

	2010 Estimated Employment	2020 Projected Employment	Net Change	Percentage Change
Total All Industries	488,178	540,550	52,372	10.70%
Health Care and Social Assistance	79,367	92,200	12,833	16.20%
Accommodation and Food Services	41,968	47,700	5,732	13.70%
Retail Trade	46,186	51,615	5,429	11.80%
Professional, Scientific, and Technical Services	20,939	25,500	4,561	21.80%
Educational Services	45,474	50,000	4,526	10.00%

Source: RI Department of Labor and Training, Labor Market Information Unit, August 2012

GWB Biennial Plan

GWB INDUSTRY PARTNERSHIPS

The Governor's Workforce Board engages Industry Partnerships in a number of strategically important sectors of the RI economy to represent the workforce needs of those industries and be responsive to their needs. Data highlights for these industries include:

Health Care is the largest industry sector in Rhode Island, employing 1 out of 6 workers, and is expected to grow by more than 16 percent over the next decade.

Health Care

Health Care is the largest industry in Rhode Island, employing 79,367 people, or one in six workers. Of these, 47,000 (64%) are patient care jobs ranging from entry-level home care staff to surgeons and nurses. An additional 10,000 workers provide administrative support, and 4,500 provide cleaning and food preparation.² Health Care is projected to grow 16.2 percent over the next decade, adding 12,833 jobs, the largest job growth in any sector and well above the state average of 10.7 percent.

Hospitality

Because Rhode Island serves as a tourist and convention destination, the Hospitality industry, or the Accommodations and Food Service sector, is a substantial piece of the state's economy. It is responsible for 41,968 jobs in 2010, and is expected to grow overall to 47,700 by 2020. Occupations, in descending order of skill level, are general manager, front line supervisor, cooks, bartenders, and housekeeping service.³ The middle level server and cook jobs can expect 19-percent growth, and room attendants will increase at 24 percent, or 98 new jobs per year. Thus this industry is projected to experience significant and continuous growth, but many of the new jobs will be low paying and offer few benefits.

Manufacturing

Manufacturing of all types currently employs 39,847, or eight percent of all workers in Rhode Island. Rhode Island's manufacturing sector is expected to grow by twopercent, and while this is much slower than the state average growth rate of 10.7 percent, it is counter to a projected 0.6 percent decline in national manufacturing employment. In addition, it is the first time that Rhode Island's manufacturing sector has been projected to add jobs since the 1980s.

Financial Services

Rhode Island currently does not have a financial services industry partnership, but the industry is among the top employers in the state. Financial services sector in RI represents 4.7 percent of total employees, or 23,406 workers. This industry, like many, suffered losses of 5,400 jobs through 2006-2009. Occupations within this industry include accountants, analysts and loan officers. The sector is expected to show below average growth in the next ten years of 6.6 percent or 1,544 jobs. Many of these jobs will be in insurance and financial planning. Accounting will add 80 new jobs per year, claims adjusters 27, and financial analysts 28.

Construction

Currently the Construction industry employs 15,943 individuals or three percent of the total working population in RI. Construction jobs have declined 15 percent since 2008, when the Building Futures construction industry skills gap study reported 22,000 workers in Rhode Island.⁴ The growing occupations in this industry are carpenters, 14.7 percent or 600 new jobs and construction laborers, 15.8 percent or 339 new jobs by 2020. In addition, new workers entering the skilled technical trades are seeing much more competition for apprenticeship openings. The average age of apprentices in those trades is older and more than 50 percent of candidates accepted as apprentices into the skilled trades have already completed two or more college courses or have a college degree in an unrelated field.⁵

² Industry by Occupation Tables, Labor Market Information, August 2012

³ RI Hospitality and Tourism Association: A Skills Gap Study

⁴ Building Futures Skills Gap Study

⁵ Institute for Labor Studies and Research, 2012

II: Skills & Education Needed, *continued*

INDUSTRY PARTNERSHIPS: CROSS-CUTTING INDUSTRIES

There are several industries that span important sectors in Rhode Island and that are represented by Governor's Workforce Board Industry Partnerships. These industries draw their employment from a similar set of occupations and skill requirements, making them distinguishable as unique industries, although not categorized as industry "sectors" by the Bureau of Labor Statistics.

Information Technology (IT)

Information Technology (IT) employment is spread across a range of industries, making it difficult to capture the full picture of the workforce. Occupations in which large numbers of annual openings are expected include: computer support specialist (150 per year), computer systems analysts (85 per year), software developers (79 per year), Network and Computer Systems Administrators (75 per year) and computer programmers (71 per year). Almost 500 openings each year will be available in just these four occupations, indicating the strength of the industry. Three of the top ten fastest growing occupations in Rhode Island are in the IT field.

Marine Trades

In 2008, approximately 6,600 individuals were working in marine industries in RI, according to the Rhode Island Marine Trades Association (RIMTA) survey done at the time.⁶ It is difficult to establish actual figures for this sector, as it includes engineering, construction and customer service occupations. As with most of the economy, this sector suffered losses in the past three years. Both the leisure and naval industries declined. Motorboat mechanics can expect four percent, or nominal growth, over the next decade, and ship engineers less than one-percent growth, with a total of 29 new jobs by 2020.

Defense

The defense industry, like information technology, is a crosscutting industry rather than a sector. The RIEDC⁷ places their total number employed at 16,000 workers in RI. Its workers are drawn largely from engineering, information technology, business administration and manufacturing or production. At the same time, potential employees face several barriers to employment, namely that the defense industry tends to hire from within its current ranks and that those who choose to work in defense must pass more intensive scrutiny. The GWB defense industry partnership, Southeastern New England Defense-Industry Alliance (SENEDIA), conducted a survey in 2010⁸ that reported 110 anticipated openings in senior level positions – engineering, information technology specialists, and business managers; 188 mid-level positions from the same sectors and 388 entry-level including production workers (assemblers and machinists). Across Rhode Island, engineering occupations are projected to grow by 21.8 percent, technology by 10.4 percent, administration by 15.7 percent and machinists by 10.0 percent.

⁶ The Marine Trades in Rhode Island: A Skills Gap Study

⁷ RI Economic Development Corporation, 2012

⁸ SENEDIA Defense Industry Skills Gap Study, 2012

CHART 3: RI OCCUPATIONAL GROWTH PROJECTIONS BY EDUCATION/SKILL LEVEL, 2010 - 2020

Employment Category	2010 Employment Estimate	2010 Percentage	2020 Employment Projection	2020 Percentage	Number of New Jobs	Percentage Change
Very Entry Level	114,273	23.40%	128,841	23.80%	14,568	12.70%
Entry Level	120,393	24.70%	129,983	24.00%	9,590	8.00%
Middle	149,756	30.70%	164,671	30.50%	14,915	10.00%
High	103,756	21.30%	117,055	21.70%	13,299	12.80%
TOTAL	488,178	100.00%	540,550	100.00%	52,372	10.70%

Source: RI Department of Labor and Training, Labor Market Information Unit, 2012, with analysis by the Biennial Plan Advisory Group to establish the employment categories

MAJOR OCCUPATIONS AND TRENDS

Industry projections provide a snapshot of overall trends within major sectors; however, looking at employment through industry projections is limited because each industry has a range of occupations within it with differing skill requirements and because some occupations are found in multiple industries. Therefore, using an occupational lens helps the workforce system to pinpoint more efficiently employer demand, both current and projected.

Job Growth⁹

Between 2010 and 2020, job growth is projected to increase by 10.7 percent, for a total of 52,372 net jobs. When analyzed by the level of skill and education required for a particular occupation in Chart 3, almost half, or 47.8 percent, of occupations in 2020 will require a high school credential or less, and no more than short-term on-the-job training. Approximately 30 percent of jobs in 2020 will require post-secondary training but less than a bachelor's degree, and 21.7 percent will require a bachelor's degree or above.

Growth in middle and high skilled jobs is projected to be slightly greater than in the entry level jobs (22.8% vs. 20.7%), indicating a slow shift towards a higher-skilled economy; however, the skill and education needs in 2020 are essentially a mirror of those needed in 2010.

What is likely not captured in the data, however, is the continuing shift within all occupations towards higher skill requirements due to technology changes, resizing of labor forces requiring workers to do more within their existing jobs, and other up-skilling trends. As a result, the overall growth picture leans towards the need for a more skilled and educated workforce.

Furthermore, workers with fewer skills face an additional challenge in Rhode Island's economy. Because of the labor surplus, employers are able to hire workers whose education and training exceeds the requirements of the position (i.e. overqualified), which then crowds out lesser skilled workers.

⁹“Job Growth” refers to the total number of new jobs added over a ten-year period. “Job Openings” refer to a combination of new jobs and jobs that have turnover and therefore “replacement” each year. Projections are based on a full employment economy and on the current composition of the labor market.

II: Skills & Education Needed, *continued*

Job Openings

The total number of RI job openings – both new job growth and existing worker turnover – is projected at 17,006 each year through 2020. Of those, 10,804 are projected to be high-growth occupations with 50 or more annual openings; Fifty-eight percent of these high-growth openings are estimated to be lower skilled jobs.

Appendix 3 details the occupations with 50 or more annual openings in Rhode Island, both in 2010 and projected to 2020, according to the skill and education level required. The projections show that a large number of very entry- and entry-level jobs are grouped in a small number of occupations, while middle- and high-skilled jobs are spread among a more diverse set of occupations because of the technical requirements of those occupations as skill and education levels increase (see Appendix 4 for more information).

CHART 4: PROJECTED NUMBER OF ANNUAL OPENINGS* IN HIGH-GROWTH OCCUPATIONS BY SKILL/EDUCATION LEVEL

Skill/Education Level	Projected Annual Openings	Percentage of All Openings
Very Entry Level	4,527	42%
Entry Level	1,757	16%
Middle Level	3,239	30%
High Level	1,281	12%
Total	10,804	100%

* Annual openings through 2020

Source: Labor Market Information Unit, 2012, with additional analysis by the Biennial Plan Advisory Group

Regional Concentrations of Labor

Almost half of Rhode Island's jobs are concentrated in the Providence, Cranston and Warwick communities. One-quarter of the state's employment is located in Providence alone. Pawtucket and East Providence together contain another 10 percent of employment. Newport and Woonsocket, the two other communities with significant employment, respectively have four percent and three percent of the state's employment. This concentration of employment in a few communities points to the importance of accessible transportation to work for both employers and

workers. Please see Appendix 5 for a map of the concentration of employment and town-by-town employment and wage information.

EMPLOYER DEMAND FOR WORK-READINESS

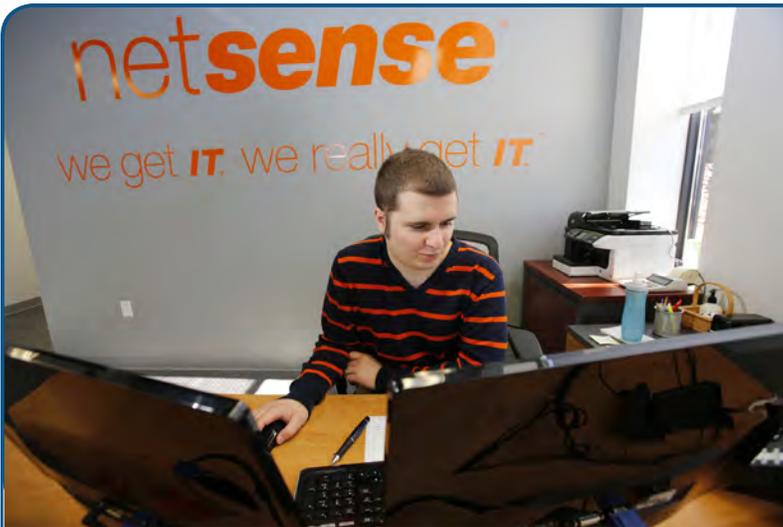
Both the Governor's Workforce Board and Industry Partnerships survey employers periodically to determine their workforce needs. (See Appendix 6 for a summary of recent surveys). These surveys provide valuable information on the real-time needs of employers.

Most sectors are reporting some difficulty in filling high-level jobs requiring either an advanced degree or extensive experience/long-term training. Employers report some openings persisting for three to six months because they cannot find the candidate with the right qualifications and/or work experience.

Across sectors and over time, employers report a lack of work-ready applicants for jobs, citing the need for workers who show up to work on time, are prepared to work, and are able to learn on the job. Employers also report that their most critical "soft skill" demands are for workers who have solid communication, teamwork, problem solving, and critical thinking skills.

In a survey conducted in August 2012 by the Society for Human Resource Management to validate previous employer surveys in the state, 52 percent of the 50 firms responding to the survey reported a need for work readiness skills, 32 percent for customer service and 28 percent for teamwork and communication skills. Forty-six percent reported needing workers with technical skills, and 28 percent reported needing high-level technical skills. Two-thirds report that work experience is very to extremely important. These results confirm previous surveys; taken together, the surveys help to verify the combination of work readiness, workplace soft skills, technical skills and work experience needed to meet employer demand.

Employers report a lack of work-ready applicants for jobs, citing the need for workers who show up to work on time, are prepared to work, and are able to learn on the job.



Combating the Brain Drain

Facing a double-digit unemployment rate, graduates of Rhode Island-based colleges and universities can be challenged to find employment immediately after graduation. This summer, the Governor's Workforce Board collaborated with its industry partnership The Tech Collective to pilot a subsidized fellowship program designed to help recent Rhode Island graduates like Brian Chiaradio gain Rhode Island-based work experience that could help them build their résumés and compete for local jobs.

This May, Brian earned an Associate's Degree in Graphics, Multi-Media and Web Design from the New England Institute of Technology. He was actively searching for Rhode Island-based job openings in the IT field when he learned about the eight-week fellowship program. After a morning interview with internet marketing firm NetSense offices, Brian was hired that afternoon.

In his new role, Brian was able to put his social media training to work, helping to manage client web presences on YouTube, Facebook, LinkedIn and Google Plus. He was also able to expand his comfort zone beyond a computer workstation and into sales and client relations. "I had taken a couple of business courses, but I never worked for a company that did marketing," he explains. That all changed in the real workplace. "One of first things I was asked to do was to go through training on marketing and sales software."

Soon he was meeting with clients and building customized social media plans to suit their unique needs. For a pool installation client, he used social media to convey pool maintenance tips and hurricane preparedness protocols. For another client, he used internet programs to promote special contest offers that could build its customer base. "I like getting clients' perspectives on their wants and needs, and trying to create a product that pleases them," he says. "They let me be flexible and put my own ideas out there."

His mentors at Netsense must have liked what Brian was doing too, because at the end of his fellowship, the company hired him part-time to continue his design and marketing efforts. "They've added more stuff to my plate," he says. "I've got more projects, and I'm handling more clients."

His learning curve has been aided by the veteran workers in the company. "It's different from college," he says. "I'm working with all different age groups.... Some people have been doing sales and marketing for a long time, and I learn from their experiences."

III: The Rhode Island Workforce

EDUCATION AND SKILL LEVEL: IMPACT ON WORKFORCE SUPPLY

Workers' skill levels are largely determined by their education level and workforce skill preparation. Consequently, the Biennial Advisory Group decided to establish four levels of workforce supply based on education and skill level. A profile of residents within each of these levels of skill and education is detailed in Appendix 7.

Working age adults 18-64 who have less education worked fewer weeks per year, with only 72 percent of very entry-level workers working a full time job as compared to 83 percent of high-level workers. In addition, very entry-level workers earn less with 69 percent of individuals living at 133 percent of the poverty line or below, compared to 48 percent of those with a high-skilled occupation. Very entry-level workers are also more likely to receive some form of public assistance, with 36 percent receiving food stamps as compared to eight percent of high-skilled workers. Seventy-four percent of those receiving public assistance hold a high school credential or less.

Race and Ethnicity

Minorities are disproportionately represented in the very entry and entry-level skill categories. While only 10 percent of White individuals are at the very entry level in skill and education, 22 percent of Black or African American and 36 percent of Some Other Race Alone (predominantly Hispanic) are at the very entry level. Thirty-five percent of Whites are at the high-skill and edu-

cation levels, while only 19 percent of Black or African American and 10 percent of Some Other Race Alone (predominantly Hispanic) are at that level. Also, 47 percent of Asians and 35 percent of Native Hawaiian/Other Asian residents are at the high skill and education level. (See Appendix 8)

Language, Literacy, and Numeracy Levels

Thirty-nine percent of Rhode Island workers age 18-64 have a high school credential or less. This compares to a national rate of 41.6 percent. Sixty percent of working adults have obtained some level of post-secondary education or training, while 29 percent have a bachelor's degree or higher.

English language speaking ability strongly affects workforce levels. At the middle- and high-skill levels, over 85 percent report speaking only English and only one percent report speaking English "not well". However at the very entry and entry levels of the workforce, 56 percent state that they speak only English and three percent speak English "not well." A total of over 45,000 Rhode Island residents lack some level of English proficiency.

National Assessment of Adult Literacy data reveals further that eight percent of Rhode Island's population lack basic prose literacy.¹⁰ This means that these individuals cannot read or understand written language; they might be able to locate basic information in a text, but that they lack basic literacy skills.

CHART 5: RI ADULTS AGES 18 - 64 BY EDUCATION/SKILL LEVEL

	Definition	Number	Percent of Population (ages 18-64)
Very Entry-Level	Less than high school	83,980	12.40%
Entry-Level	High school diploma	183,993	27.20%
Middle-Level	Post-secondary training/education up to an associates degree	211,503	31.30%
High-Level	Bachelor's Degree or higher	196,523	29.10%

Source: US Census Bureau, 2006-2010, American Community Survey, RIPEC calculations

¹⁰ <http://nces.ed.gov/naal/estimates/StateEstimates.aspx>

CHART 6: EDUCATION AND SKILL LEVELS BY ENGLISH-SPEAKING ABILITY

English Speaking Ability	Only English		Very Well		Well		Not Well		No English		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%
Very Entry-Level	72,487	56%	16,957	13%	11,404	9%	17,069	13%	11,661	9%	129,578	100%
Entry-Level	189,307	81%	23,753	10%	10,845	5%	7,412	3%	2,680	1%	233,997	100%
Middle-Level	199,298	85%	26,419	11%	6,263	3%	3,123	1%	593	0%	235,696	100%
High-Level	195,621	86%	21,801	10%	6,189	3%	2,369	1%	581	0%	226,561	100%
TOTAL	656,715	80%	88,930	11%	34,701	4%	29,973	4%	15,515	2%	825,835	100%

Source: US Census Bureau, 2006-2010, American Community Survey, RIPEC calculations

Another indication of literacy and numeracy ability is the number of students matriculating in higher education who require additional math and English preparation before entering credit bearing courses. At CCRI, 76 percent of entering students require some form of developmental education. Rhode Island College and the University of Rhode Island report eight percent and one percent, respectively, of entering freshman taking developmental coursework.

Unemployment Claimants

The profile of unemployment claimants (UI claimants) differs somewhat from the general population profile, with most UI claimants coming from the entry and mid-level skill categories. Chart 7 reflects claimants in the second quarter of FY2012.

POPULATIONS REQUIRING TARGETED SERVICES

There are specific populations that require particular investment by the workforce system:

Youth: As in many parts of the country, youth are facing unprecedented challenges finding employment. In 2011, the average annual unemployment in RI was 11.3 percent. For 16-19 year-olds, this rate leaps to 29 percent.¹¹ Unemployed and underemployed adults are taking the entry-level jobs that youth have traditionally filled.

People with disabilities: These individuals often require intensive preparation and support, including skills training, the use of adaptive technology in the workplace, job coaching, education and other services.

Rhode Island Works participants: Seventy-five percent of TANF participants are at the very entry or entry levels of skill and education. During the short window (24 months) in which they are eligible to receive cash assistance, they require focused attention to improve their skills to compete on the job market once they exit and are no longer eligible for any cash support. If they do not increase their education and skill levels, they cannot secure jobs that pay a family-sustaining wage.

CHART 7: RI UNEMPLOYMENT CLAIMANTS BY EDUCATION / SKILL LEVEL

	Number of Claimants	Percent of Population Ages 18 +
Very Entry Level	2,476	12%
Entry Level	8,614	42%
Mid-Level	4,813	29%
High-Level	4,556	16%
Total Claimants	20,459	100%

Source: RI Department of Labor and Training data, second quarter 2012

¹¹ RI Department of Labor and Training data

III: Workforce, continued

People with criminal records: Over 14,000 people were released from Rhode Island prisons in FY2012 and over 25,000 were on parole and probation.¹² Nationally, the Society for Human Resource Management reports that 80 percent of employers conduct criminal background checks on their employees. While having a criminal record does not automatically limit employment, in an economy with many more workers than jobs, a criminal record presents a significant additional barrier for potential workers. Combined with low literacy and skill levels among the prison population, those with criminal records find employment in the formal labor market extremely challenging.

WORK-RELATED BARRIERS

While more difficult to document, three barriers to employment merit discussion because of their impact upon the ability of workers to obtain employment and remain employed, regardless of skill level and occupation:

Transportation: There is primarily anecdotal data on the difficulties some workers experience related to transportation. American Community Survey data indicate that the vast majority of Rhode Islanders use cars as their primary form of transportation; however, given that there are few other forms available, this is not an accurate indicator of transportation needs. The primary form of public transportation is bus, and RIPTA routes are limited statewide and are not necessarily located near places of employment. Community-based providers, one-stop career center staff, employers and workers all note that transportation is a challenge because of the limits of the public system. RIPTA is currently conducting an analysis and strategic plan for the system, due to be completed in early 2013.

Child care: With state and federal cutbacks in child care subsidies, low-wage workers in particular face difficulties finding quality care that enables them to find and retain employment. Since the 2003 peak of child care subsidies of over 14,000 slots, the number has dropped by almost 46 percent to a little less than 8,000 slots. (RI KidsCount Fact Book, 2012). Thousands of low-wage workers lack quality childcare and must use alternative and sometimes unreliable child-care. Maintaining full-time employment is difficult when caring for small children with unreliable care. Thus, this is also a challenge for employers, who need workers who have solid child care arrangements to be able to be productive workers.

Work Experience: Especially in an economy with few jobs and many workers, demonstrated work experience is critical for workers to be able to compete for jobs. Employers frequently cite a lack of work experience as a difficulty in finding qualified candidates. Competing for and securing a good job is more difficult for workers who suffer long-term unemployment, are young and first time workers, and have limited experience.

Three barriers that impact the ability of workers to obtain and retain employment are child care, transportation and work experience.

¹² RI Department of Corrections data, September 2012

A woman with dark, curly hair, wearing a grey cardigan, is sitting at a desk. She is looking towards the camera with a slight smile. On the desk in front of her is a laptop, a keyboard, and several open books or magazines. In the background, there is a bulletin board with several papers pinned to it.

Retooling for Reemployment

A 39-year-old single mother, Katanga Norville was a frequent visitor to the local *netWORKri* One-Stop Career Center after she had been laid off from her secretarial job. “It’s discouraging to be unemployed,” she says. “You are definitely encountering a lot of competition, and if you don’t have the skills, you’re going to get put on the bottom, and you are not going to get paid what you think you deserve.”

When her *netWORKri* advisor told her about a new program that could start her on a pathway of career opportunities, Katanga signed on. Known as PACE, Pathways to Advance Career Education is a U.S. Department of Labor-funded grant that helps dislocated workers earn industry-recognized credentials that will give them entree in certain high-growth fields. Awarded to and administered by the Community College of Rhode Island, the PACE program is a prime example of career pathway development, which ties employer demand with tiered training opportunities to encourage workforce advancement and upward mobility.

As a participant in the Information Technology (IT) pathway, Katanga is engaged a two-part training program. The first part focuses on work readiness. “It helps you with interviewing skills and updating your résumé,” she explains, adding that she found a review of the latest trends in interviewing to be enlightening. “Four years ago, you had one interview and you were hired. Now, it’s two of three interviews, and there are different techniques required.”

Going back to school as an adult is not easy, Katanga admits, comparing her responsibilities now to when she was younger. “Having to be out of work for a long time and to go back to school and to find a balance, to maintain a home... it takes a great deal,” she says. But, she also has more motivation. “There’s more focus. I’m determined.”

The second part of the training is industry-specific, and her class works out of a CCRI computer lab two to three times a week. “We’re learning the ins and outs of computers—how they work, and what the languages are.” She says her “Aha!” moment came when she was able to master basic Windows technology. “I’ve always been a hard worker,” she says, “but now I have the patience to do the computer work myself instead of getting an IT person.”

When asked about her career pathway, Katanga hopes to leverage her new computer skills with her existing administrative assistant skills to make herself more competitive in the job market. “I have more confidence because of the knowledge that I have,” she says. In the future, she may look to work in the IT field. “Graphics is what’s appealing to me right now, and I’m looking more into web design.”

Her new-found computer skills have made their way into that home she maintains. “My son broke the screen to his laptop, and I’m going to replace it myself,” she says. “Why hire someone else to do that?”

VI: Bridging the Gap between Supply & Demand

A brief look at the number of unemployment claimants by occupation compared with the number of posted job openings in various occupations provides a picture of the current challenge for workers. There are many more unemployed workers at the entry level than there are jobs available in their industries, including in manufacturing and food preparation/serving (two of the largest sectors in the state). For example, there are currently 9.4 UI claimants for every available production job opening, 8.7 for construction, and 5.8 for hospitality or food preparation. At the high-skill level in health care, computers, and engineering, the reverse is true. There are 672 openings in the Computer and Mathematical industry and only 0.7 claimants per job opening.

SKILL GAPS

While the nature and extent of workforce skills gaps can be difficult to quantify, LMI data, GWB Industry Partnership skill gap studies, and employer surveys all indicate that gaps in education, experience, and work-readiness exist at all skill levels, and must be addressed to meet the requirements of current and projected job openings.

The chart to the right provides one approach to identifying current skills gaps by comparing the occupational groupings of current job vacancies posted on the EmployRI website with the occupational groupings of current Unemployment Insurance claimants. The chart indicates that there are only two occupational groups – Health Care Practitioner & Technical and Computer & Mathematical – in which demand exceeds supply. Yet, even in those occupational groups where supply exceeds demand, questions arise as to why vacancies remain.

Several factors contribute to job openings remaining unfilled, even when it would appear that supply is adequate. Many vacancies, especially at the entry-level, exist for just a short time and are frequently reposted and filled due to turnover. However, some postings do remain open for longer periods of time. This may be because applicants do not have the level of specialized skills required. In some of these cases, employers may have reduced their willingness and/or

CHART 8: RI JOB OPENINGS AND UI CLAIMANTS BY OCCUPATIONAL GROUP, SECOND QUARTER 2012

	EmployRI Postings*	Unemployed Claimants**	Claimants/Posting
Total	9,533	25,291	2.7
Production	355	3,354	9.4
Construction & Extraction	145	1,267	8.7
Food Preparation & Serving Related	248	1,441	5.8
Education, Training & Library	118	614	5.2
Installation, Maintenance & Repair	167	868	5.2
Office & Administrative Support	1,003	4,690	4.7
Building & Grounds Cleaning & Maint.	143	605	4.2
Arts, Design, Entertainment., etc.	129	525	4.1
Personal Care & Service	151	584	3.9
Transportation & Material Moving	428	1,542	3.6
Legal	41	105	2.6
Community & Social Services	182	453	2.5
Protective Service	181	349	1.9
Management	1,252	2,355	1.9
Business & Financial Operations	454	839	1.8
Sales & Related	1,181	1,649	1.4
Healthcare Support	600	830	1.4
Life, Physical & Social Science	129	168	1.3
Architecture & Engineering	280	290	1.0
Computer & Mathematical	672	451	0.7
Healthcare Practitioner & Technical	1,655	620	0.4

* Jobs posted during the 90-day period ending June 29, 2012 and still open on June 29, 2012

** Individuals receiving unemployment insurance payments for the week ending June 16, 2012

Source: RI Department of Labor and Training

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capacity to provide in-depth training to new employees. Instead, many employers seek to hire only experienced candidates who can “hit the ground running,” which increases the time that positions remain unfilled. Finally, even where job seekers appear to have appropriate skills and experience, some employers are reluctant to hire unemployed workers due to concerns about the cause and duration of their unemployment.

TRAINING GAPS

Workforce development activities throughout the state are targeted at addressing skills gaps at every skill level; however, training and funding gaps limit the impact and scale of these efforts.

Very entry- and entry-level workers and occupations

Approximately half of all jobs in Rhode Island are very entry- or entry-level, and this is not projected to change significantly by 2020. While there would appear to be sufficient labor supply to fill these jobs, employers report significant gaps in literacy, numeracy, English language proficiency and work-readiness skills in job applicants. Furthermore, in the current labor market, employers are sometimes able to hire “over-qualified” workers who crowd out the lowest skilled job seekers.

Current levels of adult education services – which include English-as-a-Second Language, High School Equivalency, Adult Basic Education, and work-readiness programs – are inadequate to meet the needs of Rhode Island’s lowest skilled workers, as indicated by Chart 10.

Mid-level workers and occupations

Approximately 30 percent of projected job growth in RI by 2020 is in middle skill jobs, or those jobs that require post-secondary training or education up to an associate degree. For workers with just a high school education, the key to higher earnings is education and training, and targeting resources to enable residents to achieve higher earnings while also meeting specified industry needs is critical.

In FY2012, federal Workforce Investment Act (WIA) funds enabled 676 Rhode Islanders to obtain on-the-job training or pre-employment occupational skills training. However, the availability of WIA training funds has significantly diminished, and is expected to be further reduced in the next fiscal year. (Currently, the state’s two local workforce boards have funding to provide pre-employment training for only two to three individuals per week, and a similar number of on-the-job training opportunities). State Job Development Funds are also a source of occupational skills training; however, most of these funds were used for upgrading the skills and credentials of incumbent workers and in-school youth.

Many middle skill jobs require workers to have acquired employer-recognized credentials, including certificates and/or associate degrees. However, 76 percent of students entering CCRI require remedial education work and many require additional supports to succeed in college. Bridge-to-college programs and other innovative strategies can increase college success for adults and out-of-school youth. However, as noted above, current adult education services are not sufficient to prepare Rhode Island’s low-skilled adult population for post-secondary education and occupations.

Internships, apprenticeships and other experiential learning strategies are proven and promising strategies to increase work experience, work-readiness, and workplace attachment leading to middle-skill jobs. Data is not currently available to quantify existing experiential learning opportunities in Rhode Island.

CHART 9: ADULT EDUCATION LEVELS

	# Served in FY2012	Total Population	Notes
Lack High School Diploma	2,933	83,980	Aged 18-64
Lack English Proficiency	3,567	45,488	Aged 18+

IV: Bridging the Gap, continued

High-skilled workers and occupations

Employers report high-skill vacancies that often last for months in those occupational groups in which demand exceeds supply. Yet, graduation data from Rhode Island's three public post-secondary institutions (URI, RIC, CCRI) suggest that there is generally an adequate supply of graduates with credentials to meet industry demands in high-skilled occupations. For example:

- **Engineering:** According to the Office of Higher Education, CCRI, RIC, and URI graduated 342 individuals in FY2012 with engineering credentials; this correlates closely to the 288 job openings requiring an engineering degree projected through the LMI 2010-2020 analysis.
- **Business:** Almost 900 students graduated with some kind of business degree in FY2012; LMI projections indicate well over 1,000 openings each year in this area. A number of those openings are in specific industries, requiring previous industry-based knowledge to be linked with business credentials.
- **Nursing:** Similarly, there were 589 nursing graduates, and projections indicate a demand of 674 nurses. These numbers, however, do not take into account the difference in demand among associate-degree prepared nurses, bachelor's-degree prepared nurses and specialty nurses. At the same time, given that many of the 674 nursing positions are expected to be replacement positions, there is no significant nursing gap currently.
- **Computer and Information Technology:** One significant exception is in computer technology; the three public institutions graduated 86 individuals with computer-related degrees in FY2012 compared with an estimated demand of over 650 positions. However, there are significant private degree-granting institutions focused on computer and information technology that may well make up the gap.

Even while graduation data suggest adequate supply of new graduates, skill and hiring gaps persist due to employer concerns about adequacy of education and training, limited work experience and general work-readiness of recent college graduates. Closer collaboration between businesses and colleges can better link professors, curricula, career offices, and students to Rhode Island businesses, increasing the number of college graduates with the training and education that Rhode Island employers seek.

Finally, a significant number of college graduates leave Rhode Island to obtain work in other states. Recent efforts are underway (see, for example, <https://bridge.jobs/>) in Rhode Island to reduce this "brain drain" by connecting college students to businesses through pre- and post-graduation internships and fellowships that provide real world experience and increase the opportunity and motivation for graduates to pursue a career in Rhode Island.

DEMAND GAPS

It is clear from Chart 8 that even if every unemployed Rhode Islander had the exact skills and experience which employers are seeking, there would still not be nearly enough jobs to employ them all. Furthermore, LMI projects that there will be a total of 10,804 annual job openings (growth plus turnover) between 2010 and 2020 – far fewer than the number of unemployed Rhode Islanders. Coordination of workforce development and economic development efforts will be essential to produce job growth that exceeds LMI projections.

CHART 10: RI WORKFORCE FUNDS FY2012

	AGENCY	STATE	FEDERAL	TOTAL	% TOTAL
YOUTH					
Perkins - CTE Secondary	RIDE		\$4,890,380	\$4,890,380	
WIA Title I Youth	DLT		\$5,025,756	\$5,025,756	
DCYF Youth	DCYF		\$51,392	\$51,392	
Training School Youth/Perkins	DCYF	\$280,000	\$68,995	\$348,995	
Summer Youth Program	DCYF		\$1,000,000	\$1,000,000	
Youth Strategies	GWB	\$1,512,252		\$1,512,252	
TOTAL		\$1,792,252	\$11,036,523	\$12,828,775	24%
TRANSITIONAL					
One Stop Centers					
Wagner Peyser	DLT		\$3,213,283	\$3,213,283	
Reemployment and Eligibility Assessment	DLT		\$476,213	\$476,213	
WIA Title I Dislocated Workers	DLT		\$7,254,810	\$7,254,810	
Trade	DLT		\$3,080,747	\$3,080,747	
WIA Title I Adults	DLT		\$4,272,229	\$4,272,229	
Veteran's Services	DLT		\$507,247	\$507,247	
Senior Community Service Employment Program	DLT		\$480,500	\$480,500	
Work Opportunity Tax Credit	DLT		\$64,936	\$64,936	
Foreign Labor	DLT		\$99,920	\$99,920	
CTE Adults	RIDE		\$495,252	\$495,252	
Industry Skills Development Initiative	GWB	\$105,811		\$105,811	
TANF Workforce	DHS		\$4,499,616	\$4,499,616	
SNAP Employment and Training	DHS		\$217,923	\$217,923	
Behavioral Health Care Programs	BHDDH	\$336,299	\$364,373	\$700,672	
Vocational Rehabilitation Program	ORS	\$716,788	\$2,648,414	\$3,365,202	
Corrections – Training - Perkins	DOC		\$68,997	\$68,997	
TOTAL		\$1,158,898	\$27,744,460	\$28,903,358	54%
INCUMBENT					
JDF Comprehensive Training	GWB	\$237,417		\$237,417	
Export Training Grant	GWB	\$35,840		\$35,840	
TOTAL		\$273,257	\$0	\$273,257	0.51%
ADULT EDUCATION					
JDF Adult Education	GWB	\$3,500,000		\$3,500,000	
WIA Title II	RIDE		\$1,876,980	\$1,876,980	
General Revenue Adult Education	RIDE	\$2,000,000		\$2,000,000	
TANF Project Opportunity	DHS		\$973,796	\$973,796	
Corrections – Education	DOC	\$2,204,280		\$2,204,280	
TOTAL		\$7,704,280	\$2,850,776	\$10,555,056	20%
SYSTEM DEVELOPMENT					
CCRI Career Pathways	GWB	\$117,585		\$117,585	
Industry Partnerships	GWB	\$1,157,586		\$1,157,586	
Leveraged Grants	GWB	\$184,977		\$184,977	
TOTAL		\$1,460,148	\$0	\$1,460,148	3%
TOTAL - ALL FUNDS		\$12,388,835	\$41,631,759	\$54,020,594	100%

V: Workforce Development Funding & Services

FUNDING

Workforce development funding in Rhode Island totaled \$54,020,594 in FY2012. Of that, \$41,631,759 were federal funds and \$12,388,835 were state.

Federal workforce funds come primarily from the Workforce Investment Act (WIA), Wagner Peyser (One Stop Centers), Trade Adjustment Assistance, and Veterans Employment and Training Service. Perkins funds pay for Career and Technical Education services at the secondary and postsecondary levels. Federal funds that support low-income parents through the Temporary Assistance to Needy Families (TANF) and Supplemental Nutrition Assistance Program (SNAP) also provide training dollars. Training resources are also available at the federal level for seniors, incarcerated individuals and those with behavioral and medical disabilities.

State workforce funds in RI come primarily from two sources: the Job Development (JDF) fund, which is financed by an assessment on employer contributions into the RI Employment Security Fund, and General Revenue dollars.

CURRENT FEDERAL AND STATE WORKFORCE SPENDING

Chart 11 shows the complete workforce funding allocations in Rhode Island in FY2012. Funds have been categorized by the four categories of participants: emerging, transitional, incumbent, and adult basic education services.

The analysis shows that federal resources supply 77 percent of workforce funding and 23 percent comes from state funds. Over half of the state investment comes from JDF (see Chart 12).

When viewed by the type of customer, 24 percent of all funding is allocated for youth workforce programming, while less than one percent supports incumbent training. Another 20 percent goes to Adult Basic Education, GED and ESL. The majority of funds – 54 percent – is invested in the transitional workforce, which includes a wide range of customers and services, including unemployed workers, TANF recipients, older workers, and the general population that is eligible for all labor exchange services.

Rhode Island may face an eight-percent cut in federal workforce development funding next year and further cuts in the coming years.

CHART 11: RHODE ISLAND WORKFORCE DEVELOPMENT SYSTEM FY2012

	State Funds	Federal Funds	TOTAL	% of total
Youth Workforce	\$1,792,252	\$11,036,523	\$12,828,775	23.7%
Transitional Workforce	\$1,158,898	\$27,744,460	\$28,903,358	53.5%
Incumbent Workforce	\$273,257	\$0	\$273,257	0.5%
Adult Education	\$7,704,280	\$2,850,776	\$10,555,056	19.5%
System Development	\$1,460,148	\$0	\$1,460,148	2.7%
Total FY2012 Workforce Investment	\$12,388,835	\$41,631,759	\$54,020,594	100%
State/Federal Share	23%	77%		
FY2012 Related State Spending				
FY2012 Public Higher Education	\$166,487,200			
FY2012 Public K-12 Education	\$863,077,600			

Rhode Island Workforce Development Partners

Public Agencies

The following agencies administer, grant and make policy pertaining to workforce development funds.

State Agencies

Department of Labor and Training

Department of Education

Department of Human Services

Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

Office of Rehabilitative Services

Department of Corrections

Department of Children, Youth & Families

Economic Development Corporation

Office of Higher Education

Other Public Agencies

Governor's Workforce Board

Workforce Solutions of Providence/Cranston

Workforce Partnership of Greater RI

Training and Education Providers

The following entities receive public and private funds to provide workforce development services.

Public Sector

Elementary & Secondary Schools (including Career & Technical Education)

*netWORK*kri One-Stop Career Centers

Department of Corrections

University of Rhode Island

Rhode Island College

Community College of Rhode Island

Private Sector

COMMUNITY-BASED ORGANIZATIONS

Adult education providers

YouthWORKS411 centers

Non-profit skills training

Services for special populations

PROPRIETARY ORGANIZATIONS

Skills training providers

Colleges and universities

OTHER

Employers

GWB Industry Partnerships

Labor-management programs

Apprenticeship programs

V: Funding & Services, continued

FEDERAL FUNDING CONTEXT

WIA provides approximately \$11 million annually for adult and youth employment services. In 2008, the American Recovery and Reinvestment Act (ARRA) significantly increased the federal resources flowing to Rhode Island. While helpful in the short-term, the increase and subsequent decrease in funding required the system to adjust rapidly to resource changes, both to be able to take advantage of those resources and to then manage the contraction.

Looking forward, Rhode Island will likely face diminished federal funding. Anticipating the combination of funding cuts through the sequestration mandate and changes in the tax structure that may continue to result in less tax revenue, Rhode Island may experience an 8 percent cut in workforce funding next year, and further cuts in the coming years. According to the National Skills Coalition, Rhode Island will receive a \$2.5 million reduction if sequestration cuts take place in January 2013, which could result in a decrease in services to as many as 8,000 Rhode Islanders (see Appendix 9). These reductions will significantly stress a system that is already overtaxed and underfunded in meeting both employer and worker needs for skills development.

ADDITIONAL WORKFORCE FUNDING SOURCES

Targeted federal grants: There are several important federal grants that are allocated directly to organizations, including Jobs Corps, Youth-build and Social Innovation Funds. These grants typically come from competitive applications to the federal government for specific initiatives and are not under the authority of the public workforce system, but represent an important investment in workforce development.

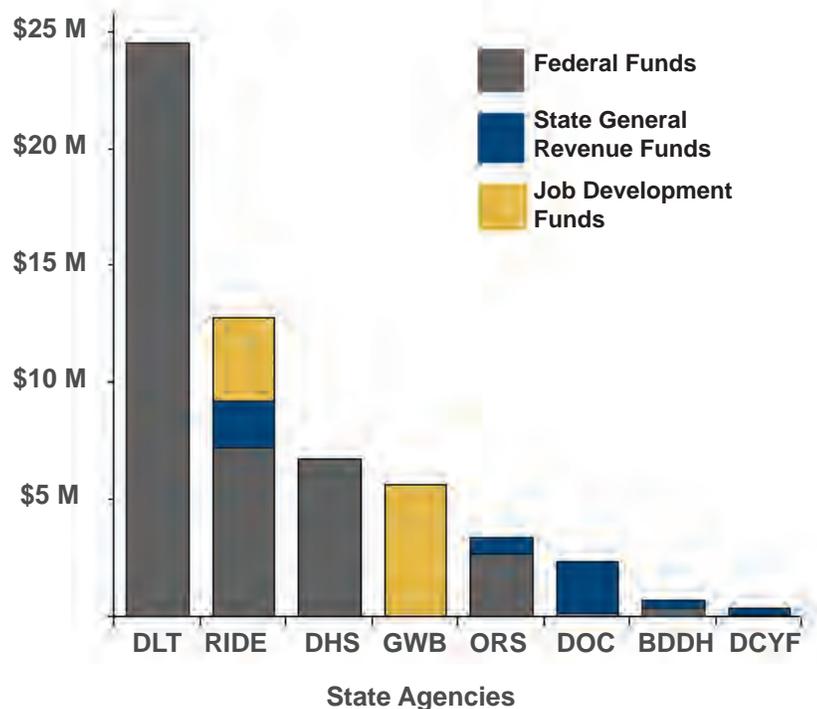
Leveraged resources: Workforce development spending often leverages other resources, particularly federal and state funding. When strategically aligned with that other funding, particularly in economic development, the state has the opportunity to maximize its workforce investment.

Private Employer Investment:

While not a focus of this report, it is important to note that private investment in education and training by companies is significant nationally. National estimates indicate that 90 percent of investment in training comes from the private sector.¹³ Much of the training is at the higher skill level, where employers believe they will receive a return on their investment, and because higher-skill level jobs tend to require specialized training for a particular job in a particular company.

Almost 80 percent of the state's workforce funding stems from federal sources, including WIA, TANF, Wagner Peyser and Perkins.

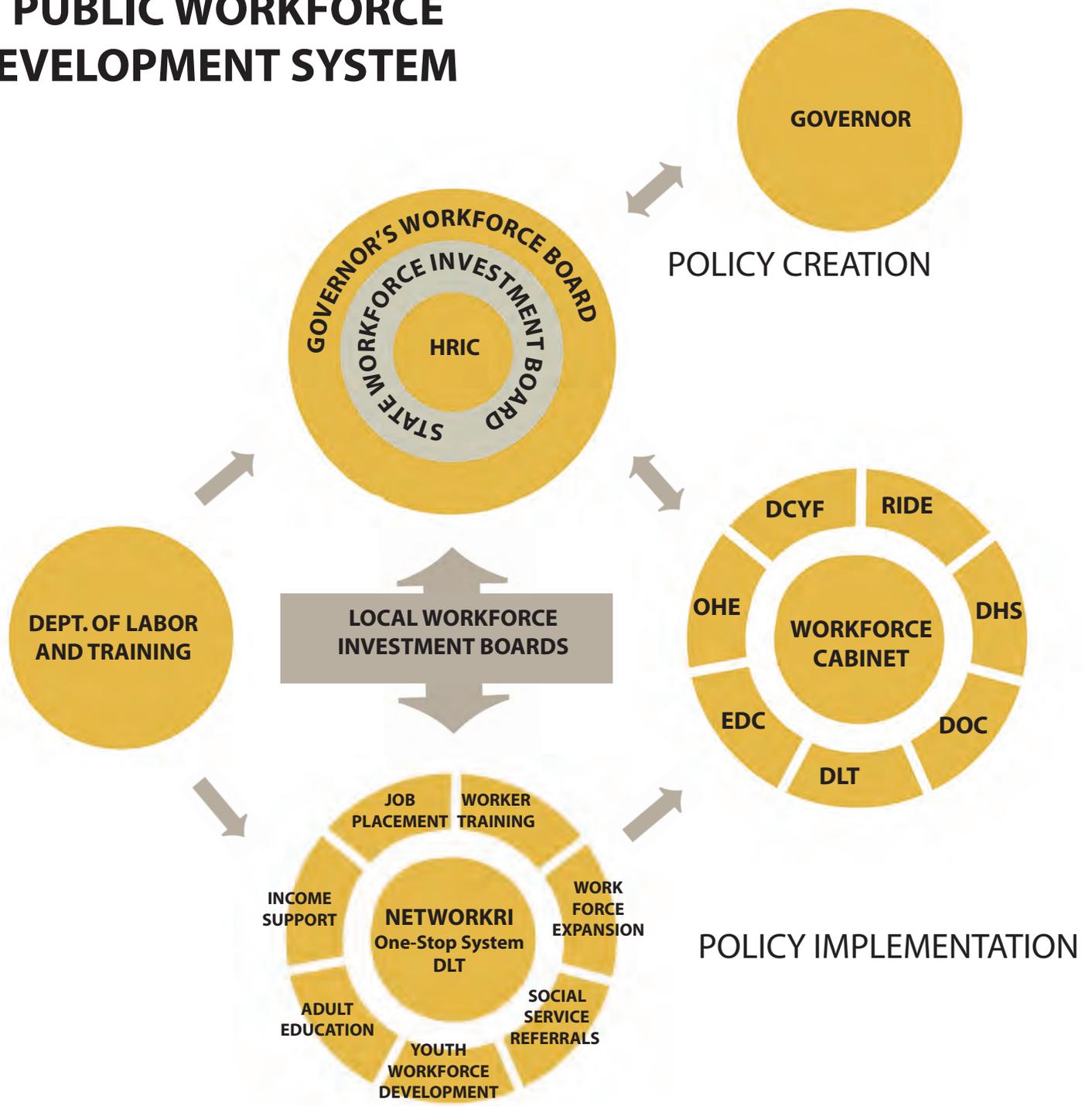
CHART 12: FEDERAL, STATE AND JOB DEVELOPMENT FUNDING FY2012



¹³ Kelly S. Mikelson and Demetra Smith Nightengale, 2004. Estimating Public and Private Expenditures on occupational training in the United States. Prepared for U.S. Department of Labor, Employment and Training Administration.

Rhode Island Workforce Development System

RI PUBLIC WORKFORCE DEVELOPMENT SYSTEM



V: Funding & Services, *continued*

Labor: Additional investment in training for workers comes through the state's labor unions, with a significant amount of that funding invested in the trades.

Secondary Education: The K-12 system represents a key investment in the future pipeline of workers in Rhode Island. The state's \$863 million investment in this system provides educational and life preparation for the workforce, and as such represents a key partner in growing and sustaining a qualified workforce.

Higher Education: CCRI and other higher education institutions are a critical piece of the workforce pipeline in Rhode Island, particularly at the higher end of career pathways. They grant occupational degrees and certificates in nursing, information technology, allied health, and other growing occupational areas. While the state invested over \$166 million in higher education in FY2012, state and federal workforce funds do not play a significant role. Within the \$1.09 million that funds non-degree courses at CCRI, almost all of the funds are self-pay or third-party contracts.

Additional State Investment: Qualifying Rhode Island businesses are eligible for a tax credit of 50 percent of actual training expenses for new and current employees, up to \$5,000 per employee, over three years, for their investments in retraining or upgrading the skills of their employees. The Department of Revenue reported that in Tax Year 2009 (the latest year for which published information is available), the Jobs Training Tax Credit "cost" the state \$822,087 in foregone revenue that was claimed by 56 taxpayers.

The Department of Labor and Training Division of Workers' Compensation provides computer skills training and job search services to injured workers who are ready to return to work. These services are funded by Workers' Compensation insurance premiums.

State law enables unemployed Rhode Islanders to obtain tuition and registration fee waivers on a space-available basis at the three public institutions of higher education. The total cost of this program in FY2011 was \$2,223,564 for 1,651 unemployed Rhode Islanders.

Philanthropic: In Rhode Island, private foundations and charities play a strong role in investing in non-profits that provide training and education. The United Way of RI, The Rhode Island Foundation and the Annie E. Casey Foundation have all been integral partners in funding workforce providers.

CONSTRAINTS ON FUNDING

There are several constraints important to recognize as the GWB works this fall to identify new priorities and possible changes in spending:

Almost 80 percent of the state's workforce funding stems from federal sources, including WIA, TANF, Wagner Peyser, and Perkins. Each of these funding streams mandates a set of services for RI incumbent workers and job seekers and places restrictions on how funds can be used. For example, Wagner Peyser mandates labor exchange services and cannot be used for skills training. Workforce Investment Act Title I funds must include certain basic services to customers and cannot be used solely for training.

A further complication is the required outcomes for each funding stream, which are not uniform across sources and have made it difficult to establish programs that incorporate multiple funding streams. Despite these challenges, the state is working towards further integration of funding streams through its recently awarded Workforce Innovation Fund.

In FY 2012, the RI workforce development system served 71,554 individuals.

GWB Biennial Plan

As the GWB considers how to identify funding priorities to better serve Rhode Island businesses and workers, these mandates and constraints will necessarily be taken into consideration. At the same time, there is some flexibility within funding streams. For example, Wagner Peyser funds serve a broad population and do not always have to be locationally based at the career centers. Perkins funds, which must be used for technical skills training, can be utilized in a range of ways for high school students and adults. TANF funds can be used for a wide range of purposes related to supporting TANF recipients towards self-sufficiency through employment.

The state is undertaking an effort to align and integrate funding streams more effectively to improve the efficiency and effectiveness of services. The recent award of a Workforce Innovation Fund grant by the US Department of Labor will enable the state to focus on aligning funding streams along career pathways and to identify and resolve some of the barriers to integration of those funds at all education and skill levels.

SERVICES

The role of the workforce system is to fill the gap between what skills employers are seeking and what workers possess, both now and in the future. The responsiveness of the system is affected by changing skill-level needs based upon employer demands, the capacity of the public system to adapt and federal requirements that mandate how and for whom resources can be spent. Rhode Island's workforce system spans multiple agencies, focuses on a range of populations identified as needing particular services and works within some of the state's key industries.

Types of Service and Funding Allocations

While there is a range of workforce services available in Rhode Island, there are two broad categories within which most services fall: labor exchange services and skills training and education services.

Employment Services can reach a large number of people with a broad brush of services. Usually customer-driven, they can include searching for jobs by computer and participating in workshops. These services generally cost very little per person and because of this, the relative level of value they add for an individual is smaller. This category includes a slightly higher level of services than can include career counseling, assistance with resume writing, and other activities.

Skills training and education services reach a smaller number of participants, are much more intense in terms of hours, are intended to increase the ability of job seekers and workers to compete in the workplace, and encompass a range of training and education services. These services are typically much more expensive per person and are intended to move participants to a higher level of skills and wages.

CHART 13: FY2012 RI SERVICES DELIVERY BY SERVICE TYPE

Service Type	Number Served	Percentage of Total
Employment Services	57,504	80%
Adult Education	7,201	10%
Occupational Skills Training	6,351	9%
Other	498	1%
TOTAL	71,554	100%

V: Funding & Services, continued

Most funds for workforce services provide a blend of employment services, education, workforce readiness and skills training. Information on cost allocation by type of service is not currently available. We do know, however, that education and occupational skills training are typically much more resource-intensive than employment services. As a result, federal funds are increasingly being shifted from skills training to employment services at the One-Stop Career Centers, in order to serve more individuals.

In FY2012, 71,554 individuals were served by the workforce development system in Rhode Island. Of these, 80 percent received employment services, 10 percent received adult education services and nine percent received occupational skills training (see Chart 13).

Services by Race and Ethnicity

When viewed by race and ethnicity, 62.4 percent of workforce services are delivered to white individuals, followed by Hispanic or Latino at 16 percent, and Black at 11 percent (see Chart 14).

CHART 14: FY2012 RI SERVICE DELIVERY BY RACE AND ETHNICITY

Race or Ethnicity	Number Served	Percentage Served
White Alone (Not Hispanic)	53,010	62.40%
Hispanic or Latino	13,849	16.30%
Black Alone (Not Hispanic)	9,519	11.20%
Asian Alone (Not Hispanic)	2,376	2.80%
Native Hawaiian or Pacific Islander Alone (Not Hispanic)	329	0.40%
American Indian or Alaskan Native Alone (Not Hispanic)	1,273	1.50%
Asian or Pacific Islander (Not Hispanic)	0	0.00%
Multiple Race (Not Hispanic)	2,153	2.50%
Unknown / Suppressed Data	2,400	2.80%

Source: State Agency Data, September 2012
Includes DLT, RIDE, BHDDH, GWB and DCYF information



Investing in our Workers

Craftsman Dan Boisvert can divide his work experience into two parts—before Cabinet Visioning and after Cabinet Visioning.

Before Cabinet Visioning, a cabinetmaker like Dan would spec out the size and materials for a particular project, and then a second machinist would manually enter that data into a Computer Numerical Control machine that would perform the appropriate cutting.

After Cabinet Visioning, Dan could work with a 3-D computer modeling program that would help him visualize a project and simultaneously convert that visualization into CNC machine programming. This computer software could give Dan more control over design, ensure uniformity of cutting, and create a more efficient production process. Time and money, saved.

That's why Dan's employer, Herrick & White Architectural Woodworkers, applied for and received a GWB matching worker training grant to teach key employees how to incorporate the 3-D modeling software into their daily work.

Dan is a fan. "Some cabinets have curves in them or they have special cut-outs for wiring and ventilation.... With Cabinet Visioning, you can actually see the design in three dimensions and you can spin it so you see what's going on. You can see the actual holes and where they are placed."

The ability to adapt computer processes to a variety of unique woodworking situations is important. "We're a custom cabinet shop so we always have something that's a little different than standard. We have to make these adjustments, and this program allows us to see our mistakes before we cut," he says. "The program starts with a standard cabinet [design] and you modify that to your specific needs. You don't have to start from scratch. You can actually build a library of different things you would like to start with."

Unlike some of his cabinetmaking peers at Herrick & White, Dan already had some familiarity with modeling software programs like AutoCAD, so the training was not completely foreign to him. Training at his workplace is not an uncommon occurrence either. "We are always learning new techniques from other workers," he says. "This company is good with allowing people to move around and learn different things."

What is not a common occurrence for Dan, however, is getting trained while sitting at the president's desk, but that was where he and three other workers received their training, directly from President Ken Bertram. Bertram had received previous training on the ins and outs of Cabinet Visioning, and wanted to show his workers just what it could do for his business. "We're still learning," Dan says. "What we do as we go along and we run into problems, is we keep track and we relay that to Ken, and he'll look into it if he doesn't know it."

VI: Recommendations & Next Steps

The findings in this report make clear that gaps in education, skills and resources exist throughout the workforce system that affect employers, workers, and the economy. As such, additional resources are needed in virtually every part of the workforce development system.

By statute, the Biennial Employment & Training Plan is required to identify “major priorities” for the next two fiscal years, along with a funding plan necessary to achieve these priorities. The Governor’s Workforce Board has identified four major priorities for workforce development, and recommends action steps to achieve these priorities. Each of the action steps below indicates the extent to which resources currently exist to accomplish the priority, and identifies the approach that will be necessary where designated funding is not currently available, based on the following key:

- * Can be accomplished with existing resources
- ^ Requires reallocation of existing resources
- + Requires leveraging of private sector resources
- \$ Requires additional public and/or private funds

PRIORITY: EMPLOYER PARTNERSHIPS

The public workforce system must engage employers as full partners in order to:

- identify current and anticipated job vacancies, requirements, and training needs.
- fill existing job vacancies with qualified job seekers.
- develop workforce education and training programs that prepare workers with the skills, experience, and work-readiness that employers need.
- provide internships, on-the-job training, apprenticeships, worksite tours, and other opportunities for experiential learning.
- provide critical feedback to the workforce development system.

Action steps

1. Market EmployRI and solicit feedback to improve usability and increase participation by employers and job seekers. ^ +

Rationale: Thousands of unemployed workers and hundreds of businesses use EmployRI.org, the state’s online job bank, to find or fill a job. Nevertheless, many Rhode Island employers do not use EmployRI due to their lack of awareness or interest in the site. Legislation to enhance the use and usability of EmployRI was considered but not passed by the General Assembly in 2012. In addition, resources may exist with the Department of Labor and Training and/or the Economic Development Corporation to market to employers and increase participation.

2. Analyze the requirements of current job vacancies and the skills of job seekers in order to accelerate hiring, identify skills gaps, and prioritize skills training. ^

Rationale: In the second quarter of 2012, there were 2.7 Rhode Islanders receiving unemployment benefits for every one job vacancy posted on the EmployRI website. Nevertheless, many employers report difficulty finding qualified candidates to fill certain positions. A comprehensive analysis of skills gaps and hiring gaps will help to identify opportunities to match job seekers and employers and to better identify the need for specific skills training.

3. Exempt the Job Development Fund (JDF) from the State’s 10% cost recovery in order to increase available funds to address employer workforce needs. ^ \$

Rationale: The Job Development Fund is funded solely by businesses that pay into the State’s Unemployment Insurance Trust Fund. By exempting the JDF from the state’s 10-percent cost recovery, more than \$1 million per year in additional funds would be available for the Governor’s Workforce Board to invest in programs that address the needs of Rhode Island businesses.

GWB Biennial Plan

EMPLOYER PARTNERSHIPS

Action Steps, continued

- 4. Leverage employer support for internships, on-the-job training, summer youth employment and other experiential learning opportunities through the use of grants, tax credits, and/or other incentives. ^ +**

Rationale: Experiential learning programs provide the opportunity for employers to identify and develop future employees, and for individuals to gain necessary work experience. To maintain and expand these important opportunities, public funds should be used to encourage private sector support and resources. For example, recent Incumbent Worker Training Grants awarded by the Governor's Workforce Board provided bonus funds to employers that offered a subsidized summer job or school-year internship to a youth.

- 5) Enlist a team of private sector champions to promote, challenge, and engage business leaders to participate actively in the workforce system to ensure that workforce development efforts are informed by, and responsive to, employer workforce needs. ***

Rationale: Business leaders who have successfully partnered with the workforce system should be enlisted to promote workforce development efforts such as internships and on-the-job training; and to serve as advisors to high schools, colleges, community-based organizations, and workforce boards. The recently formed Employer Advisory Group of the Governor's Workforce Board, and the Career & Technical school advisory councils are two examples of such opportunities.

- * Can be accomplished with existing resources
^ Requires reallocation of existing resources
+ Requires leveraging of private sector resources
\$ Requires additional public and/or private funds

PRIORITY: WORK-READINESS

All youth and adults must have the opportunity to acquire core literacy, numeracy and work-readiness skills necessary to succeed in the workplace, including:

- English language proficiency;
- literacy (including digital literacy) and numeracy;
- communication skills;
- job search skills;
- interpersonal skills;
- critical thinking skills; and
- work ethic and conduct.

Action Steps

- 1. Expand resources for target populations with low skills and additional employment barriers (e.g., veterans, ex-offenders, out-of-school and at-risk youth, TANF recipients, long-term unemployed, homeless, and disabled individuals). ^ + \$**

Rationale: Over 83,000 working age Rhode Islanders do not have a high school diploma, and 45,000 Rhode Islanders lack some level of English proficiency. Target populations are over-represented in these numbers, and are also far more likely to be low-skilled and unemployed – requiring additional services and supports to succeed in the workplace.

- 2. Expand access to career pathways through contextualized adult education, work-readiness, career exploration, internships, case management and job placement. ^ \$**

Rationale: Low-skilled adults are least able to access career pathways, due to limited education, work-readiness and work-experience, as well as limited access to social services and career advice. The federal Workforce Innovations Fund grant received by the state will improve career pathways preparation for entry-level workers.

VI: Recommendations, continued

3. Establish a statewide, employer-recognized work-readiness credential to be incorporated into workforce education and training programs. *

Rationale: Employers consistently cite work-readiness skills as the primary impediment to hiring job applicants. The federal Workforce Innovations Fund grant will support the development and implementation of a work-readiness credential for use throughout the education and training system.

4. Expand subsidized summer youth employment opportunities. + \$

Rationale: With youth unemployment rates at more than double the general population, funding is critical to enable youth to obtain valuable work-readiness training, employer-recognized credentials and paid work experience. With the loss of federal WIA funds for summer youth employment, JDF funds have sustained these programs. In 2012, the Department of Human Services was able to supplement JDF funds with TANF funds to expand this program. However, the future availability of TANF funding is uncertain.

PRIORITY: CAREER PATHWAYS

The workforce system, in partnership with employers, must provide youth and adults with a continuum of training, education, work experience, and supportive services that lead to good jobs and careers in high-growth, high-demand, strategically-important sectors of the RI economy, including:

- academic and career advising;
- contextualized adult education;
- occupational skills training;
- industry-recognized credentials;
- internships; and
- post-secondary education.

Action Steps

1. Promote dual enrollment academic programs (i.e., secondary / post-secondary) linked to growth sectors of the economy.

^ + \$

Rationale: Rhode Island has limited opportunities for dual enrollment that enable high school students to gain technical skills and postsecondary credits upon graduation. The RI Nurses Institute Middle College charter school is an example of a seamless pathway from high school to post-secondary education to a career.

2. Expand the use of Career and Technical High School facilities to train adults and out-of-school youth for career pathways.

^ + \$

Rationale: Career and Technical Education (CTE) facilities are generally unused in the evenings and on weekends. Accessing targeted CTE facilities would leverage existing resources to provide additional training facilities for adults and out-of-school youth. Current adult education funds might be reallocated to support evening CTE. Additional funds would be required for technical instructors and building support.

GWB Biennial Plan

CAREER PATHWAYS

Action Steps, continued

- 3. Promote a statewide internship campaign to identify and develop talent for employers, and provide work experience and connections to employers for high school students, college students, recent graduates, out-of-school youth and unemployed adults. ^ + \$**

Rationale: The recently-launched bridge.jobs website provides an on-line tool to combat the “brain drain” by connecting employers and college student interns. Further efforts will be needed to increase the number of participating employers, expand internship opportunities to high school students and unemployed adults, and establish quality standards to ensure valuable internship experiences for employers and interns.

- 4. Expand the use of on-the-job training, pre-employment occupational skills training and targeted hiring subsidies to prepare the workforce for career pathways. + \$**

Rationale: Federal WIA funds to support pre-employment and on-the-job training for eligible adults and youth have significantly diminished. Additional JDF funds for this purpose are limited, and other federal funds are restricted to specific populations and uses. To address work-readiness, skills gaps, and other barriers to employment among the more than 60,000 unemployed Rhode Islanders, additional funds for training and hiring incentives will be needed.

- 5. Establish seamless career pathways linking K-12 to higher education, and higher education to employers. ^ + \$**

Rationale: Higher education is a key partner in developing career pathways that lead to well-paying, high-growth, high-demand jobs and careers. Higher education must partner with secondary schools to increase the academic readiness of graduating high school students, and must partner with employers to increase the professional/technical preparedness of graduating college students.

PRIORITY: PUBLIC WORKFORCE SYSTEM

The public workforce system must be fully integrated in order to:

- coordinate interagency planning, funding and services.
- develop and expand compatible data systems to improve evaluation and reporting.
- establish clear performance expectations and accountability.
- align workforce development strategies with economic development strategies.
- align workforce development with Statewide planning.
- identify adequate resources to support an effective and efficient delivery system.

Action Steps:

- 1. Improve the effectiveness and efficiency of the public workforce system by directing existing interagency teams to:**
 - a. develop uniform performance measures and accountability structures to track progress on achievement of Biennial Plan priorities. ^**
 - b. examine and upgrade current data and reporting systems. * ^**
 - c. identify opportunities to align and/or reallocate existing state and federal funds to address Biennial Plan priorities. ***

Rationale: This Biennial Plan is a first attempt to collect and analyze the broad spectrum of workforce funding, services and outcomes in the state. As noted in the report, each federal funding stream has service and reporting requirements which differ. Agencies have separate and incompatible data systems, and outcome results are reported differently or incompletely. The USDOL Workforce Innovations Fund grant, as well as the federally-funded Longitudinal Data Systems grants, will enable state agencies to work together to develop common outcome measures, data systems and reporting mechanisms. They will also drive a review of all federal funding streams to identify opportunities for coordination of funding, programs and services.

VI: Recommendations, continued

2. Appoint a representative of the Governor's Workforce Board to the board of the Economic Development Corporation, and appoint a representative of the Economic Development Corporation to the Governor's Workforce Board.

Rationale: Workforce development and economic development strategies must be coordinated to ensure that Rhode Island workers have the education and skills to meet the needs of employers in strategically important sectors of the state's economy. While members and/or staff of the EDC and GWB have at times served on one another's boards, there is no statutory and organizational requirement for this to occur. Cross-representation between the two agencies will serve to strengthen this important partnership.

3. Expand interagency participation and resource support for netWORKri Career One-Stop Centers. ^

Rationale: One-Stop Career Centers are designed to provide a full range of assistance to job seekers under one roof. One-Stop Centers offer training referrals, career counseling, job listings and similar employment-related services. Participation at the One-Stop Centers by all applicable state agencies will enhance services to job seekers and increase resources to maintain staff and services.

4. Increase the frequency of cabinet-level meetings on workforce development matters. *

Rationale: Cabinet-level directors, under the leadership of the Governor, are uniquely positioned to effectuate the heightened collaboration among state agencies that is needed to maximize the effectiveness and efficiency of workforce development funding and services.

- * Can be accomplished with existing resources
- ^ Requires reallocation of existing resources
- + Requires leveraging of private sector resources
- \$ Requires additional public and/or private funds

DATA LIMITATIONS

The data presented in this Biennial Plan are the results of an unprecedented, collaborative effort by numerous public and private sector partners in the workforce system. The Biennial Plan provides the first-ever detailed analysis of the entire workforce system, including how funding is spent by education/skill level, by type of service, and by type of population. It also details current federal, state, private and other sources of funds. Finally, the Biennial Plan offers findings and recommendation based upon these data.

Nevertheless, because the Biennial Plan has sought and relied upon numerous sources of data – many of which had never been previously compiled in the manner required by this process – there are important challenges and limitations in working with the data that must be noted.

Funding and Services

As noted elsewhere, 77 percent of all public workforce funds in Rhode Island come from federal sources. Each of these sources has specific - and distinct - requirements regarding target populations, eligibility criteria, allowable costs, scope of services, expected outcomes and data reporting. In some cases, state funding sources add additional and distinct requirements. As a result, separately-funded workforce agencies collect different data, and there are few common measures by which activities can be compared and evaluated. In addition, resources for data collection are limited, and agency database systems are often incompatible, resulting in the need to manually aggregate data for this report. Legal and regulatory restrictions add further challenges to data sharing.

There are at least six state agencies and two local workforce boards that receive federal and state funds for workforce development, and which vary widely in their capacity and approach to data collection, analysis, and reporting. These agencies, in turn, contract with dozens of public, not-for-profit, and for-profit education and training providers, which have similarly inconsistent data capacity.

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Developing data to determine cost-benefit or cost-per-service is a particular challenge. On the expense side, there are no regulations or protocols that require consistent cost allocation methodology across funding streams and programs. For example, one agency might categorize case management services as a training expense, while another might not. On the outcomes side, challenges exist in defining and quantifying results. While certain measures are relatively straightforward (e.g., completed training, or obtained employment), other desired outcomes (e.g., work-readiness) are not as easily defined or measured.

Labor Market

Occupational and industry growth projections for Rhode Island as of 2020 are based on national models developed by Bureau of Labor Statistics which incorporate state specific data – industry employment series, staffing patterns, income tables, population growth and unemployment rates. The Labor Market Information Unit at the Department of Labor and Training reviews the model estimates for each industry and selects the one most appropriate for that industry. Adjustments can be made for state specific factors outside of the model. The projections assume a full employment economy based on a projected unemployment rate of 5.2 percent.

Employer data collection also poses certain challenges. As noted herein, the plan has relied in part on relatively small surveys by GWB Industry Partnerships and other organizations to identify employers' workforce needs. While these surveys reveal consistent themes and trends upon which certain findings and recommendations are based, they are unscientific surveys based on relatively small samples.

Opportunities

The Governor's Workforce Board has limited authority to require adherence to a uniform data collection methodology from its numerous public and private partners in the workforce system. Nevertheless, there is a growing awareness within the workforce system of the importance of interagency collaboration at all levels, including funding, services, and data. To that end, the State recently sought and obtained Federal funds to support two significant efforts that facilitate such collaboration.

The first is a \$1-million grant awarded to the RI Department of Labor and Training to participate in the already-funded initiative of the RI Department of Education to develop a Longitudinal Data System that will enable the state to monitor the relationship between education and employment, and better measure the effectiveness and impact of K-12, post-secondary, and workforce development programs. The second is a \$2.7-million grant to, among other things, engage state agencies in a thorough review of state and federal requirements and develop policies and strategies to maximize interagency collaboration and increase the effectiveness and efficiency of the workforce development system.

VI: Recommendations, continued

NEXT STEPS

Rhode Island is fortunate to have a workforce system intent on improving its performance and maximizing the effectiveness of its resources. Moving forward, several efforts will inform how Rhode Island allocates and invests its resources:

The Workforce Innovation Fund Grant: In July 2012, the State Workforce Investment Office was awarded one of 34 grants across the country from the U.S. Department of Labor's Workforce Innovation Fund. The grant is focused on aligning funding streams across agencies; on creating a system of career pathways and related supports; and on improving efficiencies and effectiveness of programming across the system. While there are no direct training or service dollars associated with the grant, it offers a unique opportunity for the state to align funding along two key priorities: to identify a common measurement system with a dashboard of indicators that regularly assess performance and to evaluate the ability of the system to meet demand.

The Governor's Workforce Board Strategic Plan: The Board's Strategic Plan was developed in 2008 through a year-long process that engaged dozens of stakeholders. Following submission of this Biennial Plan, the GWB will be reviewing progress towards the goals in the plan and recalibrating priorities, particularly given current fiscal and economic realities. This Biennial Plan will provide a framework for those discussions, which will in turn serve to shape future GWB investments.

Economic Development Strategic Planning:

The Rhode Island Economic Development Corporation is embarking upon development of a new economic development strategy for the state. This effort is critical to informing the workforce system's investments, particularly as they relate to specific industries or occupations. The GWB looks forward to participating in the process and in aligning investments with new industries and occupations identified in the strategy.

Future Biennial Plan Reports: The Biennial Plan Advisory Group offers the following legislative recommendations to the Governor and General Assembly related to this report and related efforts:

- Amend the date for submission of future Biennial Plans to October 31 in order to provide adequate opportunity for the plan to inform state budgetary allocations for workforce development.
- Consolidate the Biennial Plan and the Unified Workforce Expenditure and Program Report in those years in which both reports are required.

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Governor's Workforce Board Major Priorities for Fiscal Years 2014-2015

Employer Partnerships

The public workforce system must engage employers as full partners to ensure that training and education are responsive to, and aligned with, employer needs.

Work Readiness

All youth and adults must have the opportunity to acquire core literacy, numeracy and work-readiness skills necessary to succeed in the workplace.

Career Pathways

The public workforce system, in partnership with employers, must provide youth and adults with a continuum of training, education, work experience, and supportive services that lead to good jobs and careers in high-growth, high-demand, strategically important sectors of the Rhode Island economy.

Public Workforce System

The public workforce system must be fully integrated in order to coordinate planning, funding, and services; evaluate and report the effectiveness and efficiency of services; and align with state economic development strategies.

CONCLUSION

As this plan demonstrates, there is much to be proud of in the workforce development system. While challenges remain, the plan highlights the positive experience of many that have benefited from the workforce and education programs available in the state. The increased focus of state agencies, education programs and the private sector will lead to a more comprehensive approach to workforce development.

Rhode Island is at a crossroads in its workforce efforts. With the economic recovery lagging and with shrinking federal investments in workforce development, preparing the workforce to meet the demands of employers and the needs of the economy is challenging. Yet there is promise in the groundwork laid over the past few years. State agencies are increasing collaboration, the state has received systems improvement funding in labor and education, and there exists a growing understanding of the constraints and opportunities of the state's workforce system.

Under Governor Chafee's leadership, the state is charting new directions in economic development, and the workforce system is focused on improving its efficiencies and effectiveness. This more focused analysis of gaps within the workforce system points to the areas of greatest need and opportunity, and enables the state to more effectively address the needs of workers and businesses. Continued analysis to recalibrate and refocus funding will be important in the years to come as Rhode Island continues to rise to the challenges of the changed economy.

The major priorities for FY2014 and FY2015 further highlight the opportunities that exist in Rhode Island to improve and expand how the workforce development system functions. With greater collaborations and partnerships, many of the gaps identified in this plan could be bridged. Rhode Island is a great place to live and work, and its assets should be leveraged to achieve these priorities.

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APPENDIX 1: GLOSSARY

Job Development Fund (JDF)	A restricted receipt account funded by employer contributions to the Unemployment Insurance Trust Fund, a portion of which is administered by the Human Resource Investment Council (i.e., Governor’s Workforce Board) to support workforce development.
EmployRI	EmployRI is an interactive web site where employees can post resumes, apply for jobs, find training and investigate the current labor market. Employers can post job orders, search resumes, find training programs and investigate the current labor market.
Individual Training Account (ITA)	An expenditure account established on behalf of an eligible participant who can access federal WIA funds (up to \$5,500 in RI) to subsidize the cost of tuition at postsecondary colleges, trade schools, or other qualified educational training providers.
Local Workforce Investment Board (LWIBs)	Under WIA legislation, funds from WIA are directed to local WIBs for distribution to vendors for education, training and employment services.
One Stop Centers	The One Stop delivery system provides universal access to an integrated array of labor exchange services so that worker, job seekers and businesses can find the services they need in one location.
On-the-Job Training (OJT)	Funding which may be available to employers interested in hiring a trainee who needs a skills upgrade. The business may be eligible for WIA funding in the form of OJT. OJT programs can last between 4 weeks to 6 months. Eligible employers may receive up to 50 percent reimbursement of wages for this time.
Reemployment and Eligibility Assessment (REA)	REA services include in-person interviews (at One Stops) review of UI eligibility, provision of labor market information, development of a work-search plan, and referral to employment services and/or training when needed.
Supplemental Nutrition Assistance Program	Through the United States Dept. of Agriculture and administered by DHS, this fund provides assistance for improved levels of nutrition for low income families. This fund also provides training dollars to qualifying families.
Temporary Aid to Needy Families (TANF)	TANF funds provide both cash assistance and other workforce and support services to income-eligible families with dependent children.
Wagner Peyser	The Wagner Peyser funds provide a variety of employment related services through the One Stop Centers.
Work Opportunity Tax Credit (WOTC)	The WOTC program is aimed at employers who hire individuals that are members of a designated target group; they may be eligible to receive a tax credit of up to \$2,400/individual.
Workforce Investment Act (WIA) Titles I and II	Title I of the WIA provides workforce investment activities that increase the employment, retention, and earnings of participants, and increase occupational skills of participants. Title I serves dislocated workers, low income adults and youth. Title II services assist adults to become literate and obtain the knowledge and skills necessary for employment and self sufficiency. Title II services are restricted to adults and out of school youth.

Appendices

APPENDIX 2: GOVERNOR'S WORKFORCE BOARD ADVISORY GROUP

Lee Allison	Department of Corrections
Adrian Boney	Rhode Island Foundation
Rick Brooks	Governor's Workforce Board
Mike Burk	Department of Children, Youth and Families
Andrea Castaneda	Department of Education - Office of Multiple Pathways
Sue Chomka	Department of Labor and Training- Workforce Development
Diane Cook	Department of Human Service
Vanessa Cooley	Department of Education
Andrew Cortes	Building Futures
Jim Dealy	Behavioral Healthcare, Development Disabilities and Hospitals
Bob Delaney	Institute for Labor Studies & Research
Ashley Denault	Rhode Island Public Expenditure Council
Erin Donovan	SENEDIA
Carmen Ferguson	United Way
Ken Findlay	Department of Corrections
Armeather Gibbs	Economic Development Corporation
Kathleen Grygiel	Office of Rehabilitation Services
Paul Harden	Economic Development Corporation
Alaina Johnson	Stepping Up (United Nurses & Allied Professionals - UNAP)
Linda Katz	The Economic Progress Institute
Steve Kitchin	Workforce Partnership of Greater Rhode Island
Wendy Mackie	Rhode Island Marine Trades Association
William McGowan	Governor's Workforce Board
Nancy Olson	Governor's Workforce Board
Gail Patry	Healthcentric Advisors
Harsha Prakash	Rhode Island Manufacturing Extension Services
Janet Raymond	Workforce Solutions of Providence and Cranston
Ruth Ricciarelli	The Center for Health Professions (Hospital Association of RI)
Deborah Quinn	Society for Human Resource Management
Kathie Shields	Tech Collective
John Simmons	Rhode Island Public Expenditure Council
Heather Singleton	Rhode Island Hospitality Education Association
Robin Smith	Community College of Rhode Island
Mike Trainor	Board of Governor's for Higher Education
David Tremblay	Department of Labor and Training -State Workforce Investment Office

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APPENDIX 3A: RHODE ISLAND OCCUPATIONAL EMPLOYMENT PROJECTIONS HIGH-DEMAND OCCUPATIONS OCCUPATIONS WITH 50 OR MORE OPENINGS PER YEAR

SOC Title	2010 Estimated Employ- ment	2020 Projected Employ- ment	Net Change	Total Annual Growth	Total Annual Replace- ment	Total Annual Openings
Total, All Occupations	488,178	540,550	52,372	5,470	11,549	17,006
VERY ENTRY LEVEL						
Retail Salespersons	14,703	16,785	2,082	208	432	640
Cashiers	10,888	11,936	1,048	105	494	599
Waiters and Waitresses	8,824	10,013	1,189	119	440	559
Combined Food Preparation and Serving Workers	8,332	9,884	1,552	155	232	387
Counter Attendants, Cafeteria, and Coffee Shop	4,031	4,466	435	44	292	336
Home Health Aides	4,610	6,479	1,869	187	60	247
Laborers and Freight, Stock, and Material Movers, Hand	5,186	5,840	654	65	166	231
Janitors and Cleaners, Except Maids and Housekeepers	7,292	7,746	454	45	138	183
Personal Care Aides	2,978	4,294	1,316	132	24	156
Landscaping and Groundskeeping Workers	4,564	5,311	747	75	81	156
Stock Clerks and Order Fillers	6,280	6,254	-26	-	156	156
Dishwashers	2,751	3,039	288	29	126	155
Bartenders	2,761	3,102	341	34	96	130
Hosts and Hostesses, Restaurant and Lounge	1,464	1,590	126	13	103	116
Food Preparation Workers	2,523	2,703	180	18	91	109
Maids and Housekeeping	4,424	4,669	245	24	74	98
Dining Room and Cafeteria Attendants and Bartenders	1,945	2,091	146	15	72	87
Packers and Packagers, Hand	2,148	2,309	161	16	61	77
Counter and Rental Clerks	1,947	2,046	99	10	44	54
Construction Laborers	2,140	2,479	339	34	17	51

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APPENDIX 3B: RHODE ISLAND OCCUPATIONAL EMPLOYMENT PROJECTIONS HIGH-DEMAND OCCUPATIONS OCCUPATIONS WITH 50 OR MORE OPENINGS PER YEAR

SOC Title	2010 Estimated Employ- ment	2020 Projected Employ- ment	Net Change	Total Annual Growth	Total Annual Replace- ment	Total Annual Openings
Total, All Occupations	488,178	540,550	52,372	5,470	11,549	17,006
ENTRY LEVEL						
Customer Service Representatives	8,871	10,066	1,195	120	252	372
Office Clerks, General	8,889	9,833	944	94	157	251
Childcare Workers	4,770	5,242	472	47	150	197
Receptionists and Information Clerks	3,624	4,124	500	50	110	160
Teacher Assistants	4,516	4,898	382	38	102	140
Social and Human Service Assistants	2,961	3,377	416	42	64	106
Secretaries and Administrative Assistants	7,315	7,361	46	5	98	103
Light Truck or Delivery Services Drivers	2,956	3,238	282	28	59	87
Security Guards	2,861	3,242	381	38	45	83
Tellers	1,708	1,750	42	4	70	74
Driver/Sales Workers	2,206	2,463	257	26	44	70
Shipping, Receiving, and Traffic Clerks	2,352	2,321	-31	-	60	60
Billing and Posting Clerks	1,818	2,034	216	22	32	54

**APPENDIX 3C: RHODE ISLAND OCCUPATIONAL EMPLOYMENT PROJECTIONS
HIGH-DEMAND OCCUPATIONS
OCCUPATIONS WITH 50 OR MORE OPENINGS PER YEAR**

SOC Title	2010 Estimated Employ- ment	2020 Projected Employ- ment	Net Change	Total Annual Growth	Total Annual Replac- ement	Total Annual Openings
Total, All Occupations	488,178	540,550	52,372	5,470	11,549	17,006
MIDDLE SKILLED						
Registered Nurses	12,961	14,998	2,037	204	235	439
Nursing Aides, Orderlies, and Attendants	9,360	10,809	1,449	145	121	266
First-Line Supervisors of Office and Support Workers	5,807	6,370	563	56	155	211
Bookkeeping, Accounting, and Auditing Clerks	7,783	8,610	827	83	86	169
Sales Representatives, Wholesale and Manufacturing	4,675	5,256	581	58	110	168
First-Line Supervisors of Retail Sales Workers	5,171	5,506	335	34	121	155
Cooks, Restaurant	3,859	4,542	683	68	82	150
Carpenters	4,066	4,665	599	60	86	146
Medical Secretaries	3,092	3,840	748	75	42	117
Maintenance and Repair Workers, General	4,058	4,444	386	39	75	114
Heavy and Tractor-Trailer Truck Drivers	2,858	3,340	482	48	57	105
Computer Support Specialists	2,249	2,567	318	32	59	91
Hairdressers, Hairstylists and Cosmetologists	2,562	2,876	314	31	49	80
Firefighters	1,762	1,773	11	1	49	50
Painters, Construction and Maintenance	1,540	1,704	164	16	34	50
Automotive Service Technicians and Mechanics	3,142	3,323	181	18	81	99
Team Assemblers	3,924	4,091	167	17	78	95
First-Line Supervisors of Food Preparation and Serving	2,754	3,110	356	36	58	94
Pharmacy Technicians	1,429	1,890	461	46	25	71
Plumbers, Pipefitters, and Steamfitters	1,680	1,905	225	22	48	70
Electricians	1,691	1,905	214	21	46	67
Insurance Sales Agents	1,547	1,800	253	25	35	60
First-Line Supervisors of Construction Trades	1,445	1,705	260	26	33	59
Managers, All Other	2,154	2,242	88	9	48	57
Police and Sheriff's Patrol Officers	1,821	1,855	34	3	53	56
Medical Assistants	1,863	2,117	254	25	29	54
Coaches and Scouts	956	1,211	255	26	24	50
General and Operations Managers	4,640	4,735	95	10	86	96

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APPENDIX 3D: RHODE ISLAND OCCUPATIONAL EMPLOYMENT PROJECTIONS HIGH-DEMAND OCCUPATIONS OCCUPATIONS WITH 50 OR MORE OPENINGS PER YEAR

SOC Title	2010 Estimated Employ- ment	2020 Projected Employ- ment	Net Change	Total Annual Growth	Total Annual Replace- ment	Total Annual Openings
Total, All Occupations	488,178	540,550	52,372	5,470	11,549	17,006
HIGH SKILLED						
Accountants and Auditors	3,739	4,195	456	46	80	126
Secondary School Teachers, Except Special and Career	4,107	4,250	143	14	112	126
Elementary School Teachers	3,473	3,926	453	45	76	121
Physicians and Surgeons	2,468	2,691	223	22	49	71
Lawyers	2,401	2,517	116	12	46	58
Pharmacists	1,189	1,441	252	25	30	55
Management Analysts	2,796	3,294	498	50	46	96
Teachers and Instructors, All Other	3,693	3,973	280	28	56	84
Middle School Teachers, Except Special and Career	2,090	2,363	273	27	46	73
Financial Managers	2,737	2,955	218	22	50	72
Software Developers, Systems Software	1,431	1,913	482	48	15	63
Financial Analysts	1,328	1,626	298	30	28	58
Child, Family, and School Social Workers	1,900	2,033	133	13	45	58
Computer Systems Analysts	1,467	1,758	291	29	28	57
Human Resource and Labor Relations Specialists	1,870	2,119	249	25	32	57
Network and Computer Systems Administrators	1,225	1,553	328	33	21	54
Market Research Analysts and Marketing Specialists	801	1,115	314	31	21	52

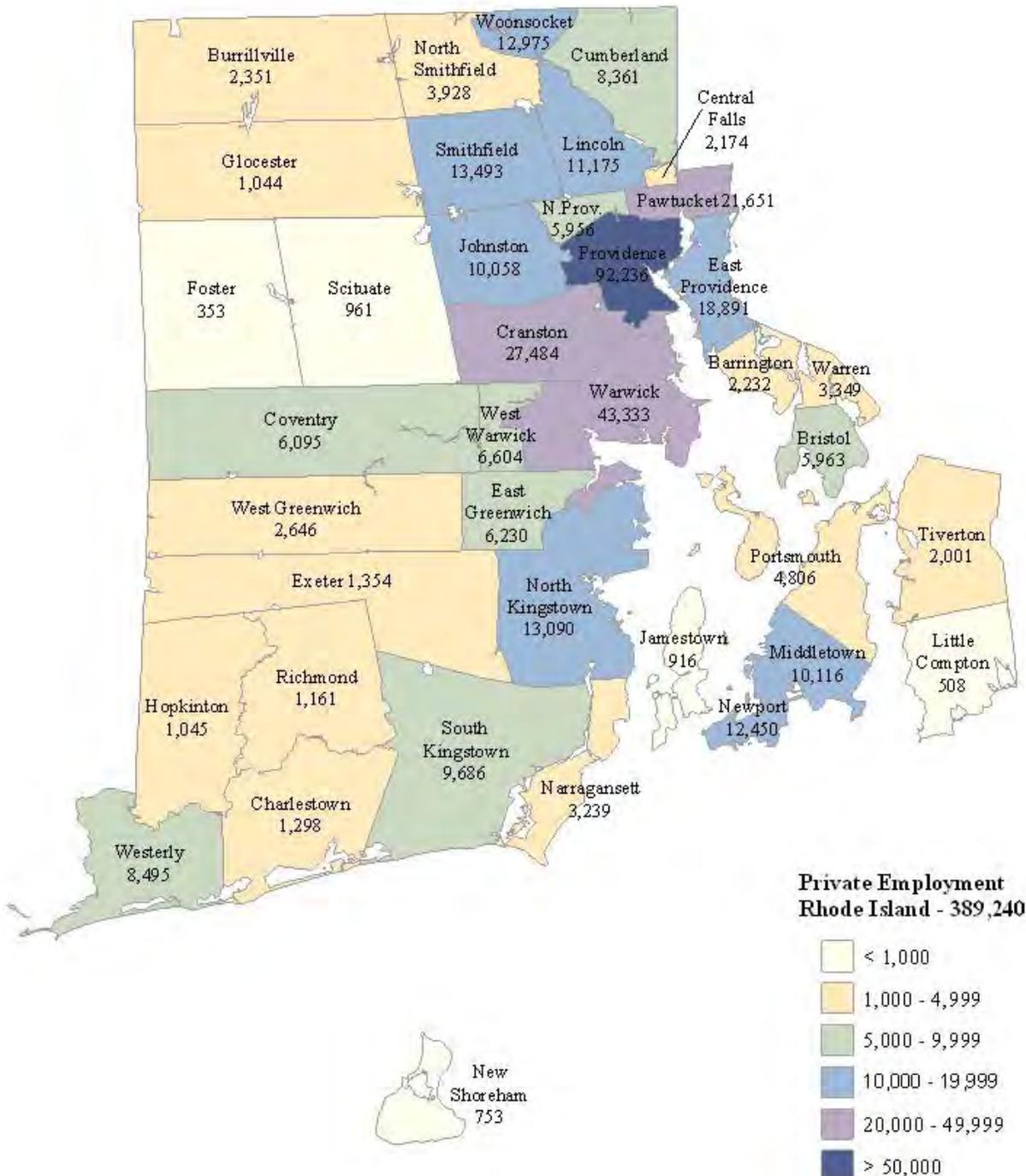
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APPENDIX 4: SAMPLING OF RI SECTORS WITH HIGHER THAN AVERAGE GROWTH RATES AND PROSPECTIVE JOB NUMBERS (GREATER THAN 10% GROWTH)

Industry	Number of Workers		Growth	Percentage Change	Education Requirement
	2010	2020			
Occupation					
Health Care and Social Assistance	79,367	92,200	12,833	16.2%	
Nursing, Psychiatric, and Home Health Aides	14,571	17,907	3,336	22.9%	Less than high school to certificate
Health Technologists and Technicians	9,505	11,121	1,616	17%	Associates to Bachelors Degree
Registered Nurses	12,961	14,998	2,037	15.7%	Associates Degree
Health Diagnosing and Treating Practitioners (excluding RNs)	12,132	13,963	1,831	15%	MD or professional degree
Professional, Technical, and Scientific Services	20,939	25,500	4,561	21.8%	
Software Developers (Applications and Systems Software)	2,421	3,181	760	31.4%	Bachelor's Degree
Management Analysts	2,796	3,294	498	17.8%	Bachelor's Degree
Bookkeeping and Accounting Clerks	7,783	8,610	827	10.6%	High School Diploma
Hospitality (Accommodation and Food Services)	41,968	47,700	5,732	13.7%	
Waiters and Waitresses	8,824	10,013	1,189	13.5%	Less than High School Diploma
Cooks and Food Prep Workers	9,548	10,725	1,177	12.3%	Less than High School Diploma
Construction	15,943	19,800	3,857	24.2%	
Carpenters	4,066	4,665	599	14.7%	High School Diploma
Electricians	1,691	1,905	214	12.7%	High School Diploma

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APPENDIX 5: RHODE ISLAND PRIVATE-COVERED EMPLOYMENT BY CITY AND TOWN, 2011



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APPENDIX 6: RECENT EMPLOYER SURVEYS

Governor's Workforce Board Survey at Bidders' Conference Spring 2012, 93 responses

How important are these things?

- 86% Work Readiness
- 65% High School Diploma
- 46% English Language Skills
- 44% Technical Skills

Seventy-five percent of positions difficult to fill, because:

- 67% said applicants lack work experience
- 70% said applicants lack relevant training or education
- 55% said applicants lack right attitude/motivation/personality

- 54% said these positions are vacant for 0-3 months
- 30% 3-6 months

Rhode Island Marine Trades Association Spring 2011, 38 responses

Hiring in the last six months

- 34% hired full time non-seasonal
- 36% hired seasonal people

- 32% have current openings;
- 42% are planning on hiring within six months
- 95% will not be reducing workforce

Top three most valuable technical skills

- Customer Service (15%)
- Engine Repair (13%)
- Sales and Marketing (13%)

Top three most valuable soft skills

- Pride in Work (15%)
- Initiative (15%)
- Thinking/problem solving (13%)

Top three technical skills that need improvement

- Computer/IT (17%)
- Customer Service (17%)
- Sales/Marketing (14%)

Top three soft skills that need improvement

- Thinking/Problem-Solving (19%)
- Interpersonal Skills (15%)
- Initiative (13%)
- Teamwork (13%)

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Defense Industry Partnership October and November 2011, 60+ responses

Hiring Projections for One Year:

Entry level

- Skilled Production: 123
- Technicians: 63
- Degreed Engineers: 51
- Administrative: 50

Mid-level

- Degreed Engineers: 64
- Technicians: 43

High Level

- Degreed Engineers: 35
- Technicians: 26

Percentage of employers with difficulty filling the following positions:

- 83% Other engineers
- 76% Logisticians
- 74% Computer or Electrical engineers
- 65% Technicians
- 60% Production Workers
- 57% Financial/contract administration

Percentage of companies wanting collaborative training in:

- 73% Advanced courses for computer and electrical engineers
- 73% Information assurance / cyber security
- 71% Leadership programs
- 66% Contract management
- 66% Knowledge of shipboard environments
- 63% Skills for using new technology
- 63% Innovation skills
- 59% Regulatory training
- 56% Business, communication, and sales skills for technical staff
- 54% Project management

Washington County Regional Needs Assessment Fall 2011, 53 responses

- 40-45 percent of employers said the following skills re mandatory or very important: Positive attitude, strong work ethic, reliability, honesty, initiative/motivation, team player, customer service.
- 40 percent of employers said applicants lack the following skills: strong work ethic, reliability, initiative/motivation, problem solving/ critical thinking skills.

RI Hospitality Association Spring 2012, 50+ responses

- 44 percent have positions they have been unable to fill.
- Employers reported Cook (58%) and Department manager (26%) had most openings.

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APPENDIX 7A: POPULATION DEMOGRAPHICS BY SKILL LEVEL AMERICAN COMMUNITY SURVEY DATA 2006-2010

Less than High School/Very Entry Level

	Total	% of Total Population	Labor Force	% of Total Labor Force	Unemployed	% of Total Unemployed Population	In-state
Age							
18-24	13,884	1.7%	8,643	1.6%	2,433	5.9%	5,127
25-64	70,096	8.5%	43,742	7.9%	6,196	15.1%	28,927
65+	45,598	5.5%	3,789	0.7%	195	0.5%	3,131
Total Population Less than High School	129,578	15.7%	56,174	10.1%	8,824	21.6%	37,185
Total UI Claimants Less Than High School	2,476	12.1%					

Population 25-64

	Number	% of Total Population 25-64	% of Group
SNAP	17,017	24.3%	35.6%
Income-Poverty Ratio			
<133%	22,776	32.5%	31.2%
133%-250%	18,452	26.3%	21.7%
251%+	27,096	38.7%	6.9%
Weeks Worked/Year			
48-52	31,575	45.0%	8.7%
27-47	5,366	7.7%	10.7%
0-26	4,120	5.9%	15.9%
Total Population 25-64	70,096	100.0%	12.6%

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APPENDIX 7B: POPULATION DEMOGRAPHICS BY SKILL LEVEL AMERICAN COMMUNITY SURVEY DATA 2006-2010

High School Diploma/Entry Level

	Total	% of Total Population	Labor Force	% of Total Labor Force	Unemployed	% of Total Unemployed Population	In-state
Age							
18-24	33,046	4.0%	23,513	4%	4,130	10%	16,054
25-64	150,947	18.3%	117,893	21%	9,510	23%	89,111
65+	50,004	6.1%	6,744	1%	254	1%	5,775
Total Population	233,997	28.3%	148,150	27%	13,894	34%	110,940
Total UI Claimants High School	8,614	42.1%					

Population 25-64

	Number	% of Total Population 25-64	% of Group
SNAP	16,570	11.0%	34.7%
Income-Poverty Ratio			
<133%	24,502	16.2%	33.5%
133%-250%	28,438	18.8%	33.5%
251%+	96,056	63.6%	24.3%
Weeks Worked/Year			
48-52	93,144	61.7%	25.6%
27-47	13,197	8.7%	26.3%
0-26	7,796	5.2%	30.1%
Total Population 25-64	150,947	100.0%	27.0%

GWB Biennial Plan

APPENDIX 7C: POPULATION DEMOGRAPHICS BY SKILL LEVEL AMERICAN COMMUNITY SURVEY DATA 2006-2010

Some College and/or Associate Degree/Middle Skill

	Total	% of Total Population	Labor Force	% of Total Labor Force	Unemployed	% of Total Unemployed Population	In-state
Age							
18-24	58,839	7.1%	38,520	7%	3,501	8.6%	29,522
25-64	152,664	18.5%	127,454	23%	7,903	19.3%	100,912
65+	24,193	2.9%	4,869	1%	343	0.8%	3,733
Total Population Less than High School	235,696	28.5%	170,843	31%	11,747	28.7%	235,696
Total UI Claimants	4,813	23.5%					

Population 25-64

	Number	% of Total Population 25-64	% of Group
SNAP	10,713	7.0%	22.4%
Income-Poverty Ratio			
<133%	16,229	10.6%	22.2%
133%-250%	25,485	16.7%	30.0%
251%+	110,135	72.1%	27.9%
Weeks Worked/Year			
48-52	104,135	68.2%	28.7%
27-47	12,803	8.4%	25.5%
0-26	7,356	4.8%	28.4%
Total Population 25-64	152,664	100.0%	27.3%

Appendices

APPENDIX 7D: POPULATION DEMOGRAPHICS BY SKILL LEVEL AMERICAN COMMUNITY SURVEY DATA 2006-2010

Bachelor's Degree/High Skilled

	Total	% of Total Population	Labor Force	% of Total Labor Force	Unemployed	% of Total Unemployed Population	In-state
Age							
18-24	11,864	1.4%	9,950	1.8%	948	2.3%	7,806
25-64	184,659	22.4%	161,693	29.1%	5,139	12.6%	128,119
65+	30,038	3.6%	8,196	1.5%	372	0.9%	6,610
Total Population	226,561	27.4%	179,839	32.4%	6,459	15.8%	141,703
Total UI Claimants	4,556	22.3%					

Population 25-64

	Number	% of Total Population 25-64	% of Group
SNAP	3,485	1.9%	7.3%
Income-Poverty Ratio			
<133%	9,552	5.2%	13.1%
133%-250%	12,600	6.8%	14.8%
251%+	161,853	87.6%	41.0%
Weeks Worked/Year			
48-52	134,317	72.7%	37.0%
27-47	18,836	10.2%	37.5%
0-26	6,618	3.6%	25.6%
Total Population 25-64	184,659	100.0%	33.1%

GWB Biennial Plan

APPENDIX 7E: POPULATION DEMOGRAPHICS BY SKILL LEVEL AMERICAN COMMUNITY SURVEY DATA 2006-2010

TOTAL POPULATION

	Total	% of Total Population	Labor Force	% of Total Labor Force	Unemployed	% of Total Unemployed Population	In-state
Age							
18-24	117,633	14.2%	80,626	14.5%	11,012	26.9%	58,509
25-64	558,366	67.6%	450,782	81.2%	28,748	70.2%	347,069
65+	149,833	18.1%	23,598	4.3%	1,164	2.8%	19,249
Total Population	825,832	100.0%	555,006	100.0%	40,924	100.0%	424,827
Total UI Claimants	20,459						

Population 25-64

	Number	% of Total Population 25-64	% of Group
SNAP	47,785	8.6%	100.0%
Income-Poverty Ratio			
<133%	73,059	13.1%	100.0%
133%-250%	84,975	15.2%	100.0%
251%+	395,140	70.8%	100.0%
Weeks Worked/Year			
48-52	363,171	65.0%	100.0%
27-47	50,202	9.0%	100.0%
0-26	25,890	4.6%	100.0%
Total Population 25-64	558,366	100.0%	100.0%

Appendices

**APPENDIX 8: EDUCATION AND SKILL LEVEL BY RACE AND ETHNICITY,
RHODE ISLAND RESIDENTS AGED 18-64**

		Very Entry Level	Entry Level	Middle	High	TOTAL
White alone	#	46,816	124,503	131,056	165,805	468,180
	%	10%	27%	28%	35%	100%
Black or African American alone	#	6,477	9,342	8,574	5,707	30,100
	%	22%	31%	28%	19%	100%
AI/AN alone or in combination	#	396	861	676	202	2,135
	%	19%	40%	32%	9%	100%
Asian alone	#	2,943	3,288	2,168	7,479	15,878
	%	19%	21%	14%	47%	100%
Native Hawaiian and Other Pacific Islander alone	#	21	43	0	35	99
	%	21%	43%	0%	35%	100%
Some other race alone	#	11,837	10,206	7,417	3,424	32,884
	%	36%	31%	23%	10%	100%
Two or more major race groups	#	1,606	2,704	2,773	2,007	9,090
	%	18%	30%	31%	22%	100%
TOTAL	#	70,096	150,947	152,664	184,659	558,366
	%	13%	27%	27%	33%	100%

APPENDIX 9: LIKELY EFFECT OF FEDERAL SEQUESTRATION IN FY2013

Funding Source	FY2012 Funding	FY2013 Sequester Cut	Fewer Individuals Served
WIA	\$18,345,808	\$1,308,486	6,355
Perkins Career and Technical	\$5,523,624	\$430,842	2,006
Adult Basic Education	\$2,317,728	\$183,101	196
Vocational Rehabilitation	\$10,494,092	\$829,033	269
Wagner Peyser	\$2,618,648	\$205,481	4,573
Totals	\$32,553,645	\$2,499,385	8,628 (excluding Wagner Peyser)

Source: National Skills Coalition, "Disinvesting in the Skills of America's Workforce: The Potential Impact of Sequestration on Key Federal Employment and Training Programs" August 2012



Governor's Workforce Board RI
1511 Pontiac Ave.
Cranston, RI 02920-4407
(401) 462-8860 / TTY Relay available through 711
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