
Workforce Opportunities

for

Oregon's Manufacturing Industry

A Report to Governor Kulongoski
and the Oregon Workforce Investment Board

DRAFT

From the OWIB Manufacturing Workforce Committee

August 26, 2005



Executive Summary

Oregon, like the nation, is facing a critical workforce challenge. Our education and workforce systems have not kept pace with demands of a changing global economy. Although Oregon has been a leader in setting educational goals, the state's investment has lagged behind that of other states and nations. Many of our students and workers are not adequately prepared for current and future jobs, or do not understand that their skills may become outdated if they don't engage in a process of continuous improvement personally and within their companies. This crisis has the potential to structurally change our national and state economy if we do not respond decisively to the challenges ahead.

These challenges are particularly acute in one of Oregon's leading industries – manufacturing. Since 1997, Oregon has been within the top 17 states in the country in terms of the percentage of its gross state product in manufacturing. About 15 percent of Oregon's output value comes from manufacturing. A thriving manufacturing sector is vital to the long-term prosperity of Oregon's economy and its citizens. Manufacturing businesses in Oregon serve as an economic catalyst, generating high wage jobs throughout the state, by bringing new dollars into the state's economy, that support other service industries and public services.

To seek new and different ways to respond to the workforce challenges for the manufacturing industry, the Oregon Workforce Investment Board (OWIB), the advisory board to the Governor on workforce matters, appointed a Manufacturing Workforce Committee. This Committee was created to develop a set of statewide workforce strategies to help support the manufacturing industry in the state so it has a highly skilled labor force. The Committee is

comprised of industry and labor leaders from the manufacturing sectors of food processing, forest products, high technology, transportation equipment, and metals. A core group of technical experts representing all education levels and institutions, industry associations, and specialists in high performance practices attend the meetings and support the work of the industry and labor leaders.

The Manufacturing Committee determined that four major areas impact their capacity for having a skilled workforce to maintain their competitiveness:

- ❖ The need to raise the level of basic skills and develop competency assessment tools and manufacturing certifications for students completing high school and for adult workers;
- ❖ The necessity for a state network of manufacturing centers of excellence to facilitate access for employers and workers to integrated training and education as well as research and development;
- ❖ Manufacturers are embracing high performance practices to stay globally competitive and seek support for networks and centers to promote these practices and coordinate shared training of their workers; and
- ❖ A growing need to improve communications with the public and the potential future workforce about the value of their industry and the living wage jobs they provide to Oregonians.

To respond to these challenges, the Manufacturing Workforce Committee recommends that the state and its industry partners, including the Oregon Business Council and Associated Oregon Industries, implement the following policy and programmatic actions in the four focus areas over the next three years to raise the competitiveness of the manufacturing industry in the state.

Overall:

Seek a declaration from the Governor that proclaims manufacturing as an industry of high value to Oregon and Oregonians, and provides the state's support for business-led networks that promote high performance practices, manufacturing centers of excellence and building the skills of the state's manufacturing workforce.

Focus Area 1: Creating a world-class manufacturing workforce with skills that meet employer and worker needs.

Policies.....

- ❖ **Advocate to the State Board of Education that it adopt policies to give the high school diploma renewed value in the workplace** to include: adopting a **proficiency-based assessment tool and certificate** that will be consistent throughout the state and document both basic and workplace readiness skills; and aligning high school graduation requirements with entry requirements to Oregon's colleges and universities while working toward exceeding the national average for proficiencies required for graduation.
- ❖ **Recommend to the Oregon Workforce Investment Board (OWIB) that it adopt a common skills assessment tool and work readiness certificate** to be used by all WorkSourceOregon Centers and in customized training departments at all Oregon community colleges, and is consistent with the assessment tools and certificates utilized by the education system.
- ❖ **Recommend to the OWIB that it develop a policy that clarifies the state's role in incumbent worker training, and identify flexible resources** to assist businesses with training needs, especially for low-skill adult workers.

Programs.....

- ❖ Build on the Cross-Industry Skills Standards project to **find or develop an assessment aligned with industry standards and a certification process for documenting workers' mastery of manufacturing skills**, called the **Manufacturing Accreditation Certificate** or MAC.
- ❖ **Expand Oregon community college manufacturing-related programs using a career pathways model** that **reduces cycle time** in training and **aligns courses** with industry needs and regional demands.
- ❖ **Increase distance-learning opportunities** for manufacturing cross-industry skills programs.
- ❖ **Utilize employers as technical training instructors/partners** in the community college and tech prep settings to offer more just-in-time and industry-specific training.
- ❖ **Assist BOLI in the creation of additional or expanded apprenticeship programs.**
- ❖ **Integrate high performance training** into current college curriculum and add elements of high performance in the basic skills and advanced-manufacturing certificates.

Focus Area 2: Supporting Manufacturing Center(s) of Excellence

Program.....

- ❖ **Support regional industry-led Manufacturing Center(s) of Excellence** in cooperation with the community college and university system to increase statewide learning opportunities that promote research and development and advanced manufacturing training; align manufacturing centers in regions that are passionate and effective.

Focus Area 3: Supporting high performance manufacturing practices

Program.....

- ❖ **Support growth of a High Performance Consortia Network** throughout the state and develop a business plan to offer sustainable support for employer-led consortia, working

on the model of the Northwest High Performance Enterprise Consortium (NWHPEC) and the now organizing Southern Oregon HPEC.

Focus Area 4: Raising awareness about the importance and potential of Oregon's manufacturing industry and careers.

Programs.....

- ❖ **Develop and conduct a sustainable media/communications campaign** to promote Oregon manufacturing and careers.
 - Articulate and promote the concerted effort to turn Oregon's manufacturing industry into one of world renowned excellence and its importance in Oregon's economy.
 - Educate and recruit students into manufacturing occupations.
- ❖ **Develop a manufacturing and high performance communications web portal.**


