

# What is Your Workforce Crisis? A Community Conversation

March 13, 2008

## Meeting Summary

**Hosted by:** California EDGE Campaign, Center for Continuing Study of the California Economy, Foothill-De Anza Community College District, Joint Venture: Silicon Valley Network, NOVA Workforce Board, Sacred Heart Community Service, San Mateo Workforce Investment Board, Silicon Valley Leadership Group, United Way Silicon Valley, work2future Workforce Investment Board and Working Partnerships USA. Special thanks to Mission College for generously sponsoring this event and contributing the venue and lunch.

### Welcome and Introductions

**Dr. Penny Johnson, Vice President of Student Services, Mission College,** welcomed the approximately 100 participants who represented business, labor, non-profit organizations, workforce investment boards, education and local government. **Mike Curran, Director, NOVA Workforce Board; Jeff Ruster, Director, work2future; and Fred Slone, Workforce Development Manager, San Mateo County Workforce Investment Board** explained that the meeting is an opportunity to engage in inquiry, share stories and develop a deeper understanding of workforce issues in Silicon Valley.

### Silicon Valley Regional Voices on the Workforce Crisis

#### *Some Stories and Some Data*

Accompanied by a specially created video, **Stephen Levy, Director of the Center for Continuing Study of the California Economy,** described the “inconvenient truth,” Silicon Valley workforce edition. He presented data that described the expected retirements/replacement openings in Silicon Valley over the next ten years and highlighted the emergence of replacement openings in “middle wage jobs” as the fastest growing. These positions typically required specialized training but not a four-year degree.

The video featured a variety of Silicon Valley leaders from the public and private sectors discussing the workforce challenges ahead including representatives from city government and industries such as healthcare, construction, newspapers, and utilities. Each described challenges such as up to 50% retirements in the next 10 years, a lack of training and skilled workers, recruitment difficulties, and, at the same time, many employment opportunities to fill.

*Plenary Discussion: What is the Workforce Crisis in Silicon Valley? Is it Real? How Does it Resonate with You?*

A few participants offered comments following the video and data presentation including:

- **Richelle Noroyan, District Director for Assemblymember Ira Ruskin,** discussed the support for workforce issues evident in both parties – the problem is the State budget. There is some good news, including a \$500 million grant for CTE facilities.
- **Gregory Kepferle, CEO of Catholic Charities of Santa Clara County,** described similarities between the nonprofit and government sectors in addressing workforce issues. For those with very low income, there are multiple barriers to entry level jobs. Approximately 10,000 households in Santa Clara County fit this profile. Nonprofit

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organizations often serve as a training ground for employees but once they reach mid-level, retention becomes a major challenge.

- **Susi Blackman, President/CEO of Sunnyvale Chamber of Commerce**, told the story from an AARP article of an 82-year old nurse who's been asking to retire since the age of 75 but her employer refuses! This demonstrates part of the problem – there is a lack of replacement workers with the appropriate skills.
- **Christine Irving, Director of Area Recruitment for Kaiser Permanente**, commented that the nursing situation described in the video resonates clearly. In addition, the increased demands and more sophisticated technology in the nursing field has resulted in people being attracted away to other careers. She encouraged the group to consider this, the challenge of internal employee development (i.e., grow your own) and other factors beyond the retirement issue.
- **Bob Brownstein, Research Director for Working Partnerships USA**, discussed the disappearance of good, middle-wage jobs that offer benefits and that “replacement” jobs are not always replaced at the same pay and benefit level.

### *Identifying Critical Workforce Issues*

**Virginia Hamilton, Director of California Workforce Association, and Deb Marois, Consultant for California EDGE Campaign**, facilitated two breakout groups to begin identifying the key, critical workforce issues in Silicon Valley. Using the consensus workshop method, participants discussed their most relevant ideas and organized them into categories. The results of the breakout groups were reviewed and discussed in the post-lunch plenary session (described below.)

### **The CA EDGE Campaign (Education, Diversity and Growth in the Economy)**

**Sharon Huntsman, EDGE Campaign Executive Director**, explained the purpose and origins of the effort. She described statewide demographics that mirror the trends highlighted in the morning video, for example an estimated 1.4 million workers in California who will retire in the next 10-15 years and the dearth of new, skilled workers who can fill these positions.

The EDGE campaign represents a call to action for state-level attention to workforce development issues in order to meet these economic challenges. Currently endorsed by 130 diverse organizations, the campaign represents an opportunity for unusual allies to impact workforce issues by working together to influence leadership. Ms. Huntsman encouraged participants to add their support via the EDGE website at [www.californiaedgcampaign.org](http://www.californiaedgcampaign.org).

Each participant received a copy of the EDGE Campaign's policy document entitled “*California's Edge: Keeping California Competitive, Creating Opportunity*” that was developed based on a series of regional meetings to identify common ground in workforce issues. Ms. Huntsman outlined five principle strategies that define the campaign including:

1. Invest in regional workforce & economic development strategies
2. Provide all Californians access to high quality postsecondary education and skills training
3. Provide working adults with opportunities to move up the skill ladder

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4. Link workforce programs and institutions to create pathways to high wage jobs
5. Align program goals and measures to achieve a shared vision of California's future and to ensure accountability

She emphasized that progress on the issues will depend on collaborative partnerships that work strategically, communicate effectively to policy makers, and effect systemic change.

Campaign goals for 2008 are to: 1) Develop a deeper understanding of workforce issues at the local, state and federal levels; 2) Expand the coalition and support for specific policy recommendations; and 3) Educate policy makers about workforce issues and possible solutions. Ms. Huntsman described an April educational session for policy makers that will focus on workforce opportunities in the "green economy." The campaign also will provide education sessions early in 2009 when approximately 40 new State legislators begin their term.

### What Does This Mean to Us? Plenary Reflection/Discussion Notes

Facilitators Virginia Hamilton and Deb Marois presented the results from the consensus workshop sessions. Each group identified key, critical workforce issues in Silicon Valley. Some common issues include: the need for **succession planning**, the **high cost of living**, need for **relevant education and skills training**, and **system barriers and dysfunction**. Participants also described workforce issues related to cultural and political shifts, a changing workforce, barriers to work, competition on the local and global levels, and insufficient outreach.

With the time remaining, a few members of the group discussed their initial reactions. While a few participants still wondered if there really is a workforce crisis, many others answered that question with a resounding "yes," especially in the public sector as related to succession planning and lack of basic skills.

Another thread of conversation focused on changing the way people within workforce development communicate to elected officials about the issues. One participant shared a recent experience in Washington D.C. and reported that workforce issues are not on policymakers' radar when presented in the typical "frame" accompanied by a request for more money. Additionally, they do not hear an outcry when cuts are made. Likewise, employers are not yet sounding the alarm about a crisis. Some participants believe it is a good strategy to approach new lawmakers with education on the issues without asking for funds.

One opportunity that accompanies the future wave of baby boomer retirement is the potential to funnel workers not ready for full retirement into work with government or community-based organizations. Their skills could be used to mentor the next generation and help create a system for transition.

To conclude the discussion, participants identified several key areas to raise with State policymakers including:

- The tremendous disparity/fragmentation in funding and rules which in turn breeds competitiveness and barriers to collaboration.

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- People concerned with workforce development need to develop a common message that communicates that we are not prepared for the future. Some used the analogy of global warming/climate change – there is a need to learn how to communicate to create understanding and ownership of workforce issues.
- The State budget process and the 2/3 required to approve the State budget needs to change. This situation allows a small minority to exert a great deal of power over budget decisions.
- There is a fundamental link between housing and employment: The housing crisis is a workforce crisis. State policymakers need to pay attention to the opportunity lost in not linking these issues.
- There is an upcoming opportunity to meet with policymakers in Silicon Valley and echo the state message about EDGE.

## Wrap-Up, Final Thoughts and Thank you

**Mike Curran, Director, NOVA Workforce Board; Jeff Ruster, Director, work2future; and Fred Slone, Workforce Development Manager, San Mateo County Workforce Investment Board** thanked participants for their contributions and invited those interested in exploring next steps to leave a business card or contact Mike Curran.

## Documents Available:

- What is Your Workforce Crisis? A Community Conversation Agenda
- What is Your Workforce Crisis? Data, Stories and Your Input, Power Point dated 3/13/08
- *California's Edge: Keeping California Competitive, Creating Opportunity*  
[www.californiaedgecampaign.org](http://www.californiaedgecampaign.org)
- Participant List