

ALASKA'S JOBS FOR ALASKA'S PEOPLE

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Underwritten by



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Preface

In January 2003, Governor Frank Murkowski, through Commissioner of Labor and Workforce Development Greg O'Claray, asked Commonwealth North to develop recommendations for workforce development in Alaska, especially as they relate to economic development.

On January 21, 2003 the CWN Board approved a study group for that purpose, co-chaired by Dr. Alice Galvin and Jeff Staser. Since then a group of more than 50 volunteers comprised of CWN members and a broad range of workforce development professionals has been meeting twice weekly at the BP Energy Center to gather information, analyze the topic, and assist Commonwealth North in looking ahead to the future in its recommendations to the Governor. This report is a result of these study group sessions.

Original scope:

The Commonwealth North Board requested that the Study Group review the following types of workforce development programs in relationship to economic development and perform a "gap analysis" looking for redundancies or missing elements and make recommendations for bringing the system into alignment:

1. Post high school programs
2. Federal programs
3. State programs, prisons
4. Non-profit and union apprentice programs
5. Proprietary programs and schools

As the Study Group began to accumulate information and discuss the topic, it quickly became apparent that workforce development does not occur in a vacuum. While the CWN Board had directed a review of the interface between workforce development and economic development, the study group determined that two other significant aspects of society need to be considered: healthy communities and quality education.

Modified scope

The framework for a workforce investment system needs to define relationships with economic development, education and community values and wellness.

Comments by Commissioner O'Claray

"On behalf of the Murkowski Administration, I would like to thank Commonwealth North for the valuable work done by the study group to define the critical issues facing Alaska relative to its workforce. The report 'Alaska's Jobs for Alaska's People' is a solid basis for action, and is well aligned with the work that we have started that will strengthen workforce investment efforts and ensure they are a key part of Alaska's economic development. The specific goals of this administration are outlined on page 20. Thanks to your work, now more than ever before, leaders from across Alaska are realizing the tremendous importance of workforce issues, and are seeing the value of investing in our state's most valuable resource, its people."

Thank you,
Greg O'Claray, Commissioner
Alaska Department of Labor and Workforce Development

**“Wanted: 68,000 residents for jobs in Alaska”
Interested? All Alaskans should be.**

This is the number of existing jobs, from all sectors of our economy including medicine, civil engineering and dozens of other careers, which are held by non-residents. Subtract 82,300 resident government workers from Alaska’s 308,000 employed people and you find that about 30% of the market for private sector jobs goes to non-residents.

Meanwhile, Alaska’s unemployment rate is about 50% above the national average. Is this a problem?

This is essentially the question raised by State Commissioner of Labor and Workforce Development Greg O’Claray when he asked Commonwealth North (CWN) President Joe Griffith to commission a study on Alaska’s workforce development. Are there gaps in the relationship between economic and workforce development? If so, what would CWN recommend we do? With Board approval, funding from BP, and the active participation of over 50 volunteers meeting twice a week for months, the results point out significant gaps. Among our recommendations we urge much more public involvement.

Ours is essentially a service economy, with only 10% of employment in the “goods producing” sector comprised of construction, mining, oil/gas extraction, fish processing and manufacturing. 90% of us are government or “service producing” employees, or employees of over 4,000 separate non-profit organizations. The number of employees in the “goods producing” sector is about equal to the number employed by non-profits, 30,000. Small business employers are a vital part of our economy. We are vulnerable to dramatic and unpredictable swings of the economic pendulum by forces beyond our control, yet most of us are content to live in the present, responding to today’s economic conditions. As a state, we have had no overarching plan to shape our economic future, leaving workforce development efforts reactive rather than proactive. According to our survey, 90% of us – rural and urban – are satisfied with our jobs and over 80% are satisfied with our family incomes. We are generally comfortable where we are, and generally do not perceive a need for “workforce development.”

Workforce development is the lifelong process of preparing and placing people into jobs. It is fused with community health, education and the economy. We found effective parts but no accountability for the effectiveness of the “whole.” The “system of systems” we discovered was so complex that even professionals within the system had difficulty identifying all the parts, let alone how they all work together. Therefore, some of our recommendations relate to government management: setting goals, fixing responsibility commensurate with authority, resource allocation, organizing structures, providing evaluation and feedback, and optimizing to achieve measurable and specific results. About \$40-65,000,000 is spent in Alaska each year through government programs, with no overarching accountability under one entity.

Where government assistance seems most valued is where it targets those who otherwise lack effective access to other preparation assistance or employment contacts. Of those surveyed, 95% found jobs without government help, less than 20% are aware of the training or placement services available through government “One-Stop” programs, and 10% use them. However, government assistance also includes our education system and we offer recommendations to strengthen it.

That system cannot be left to government alone. The larger challenge is for all of us to take action now to be prepared for future needs. Demographic projections predict a widening gap of these unmet needs. If you are an employer, experts suggest your future employee may opt out of pursuing a career in your sector as early as age 7. Clearly, how the private sector engages our education system with “career pathways,” P-16 (pre-school through university) plays a dominant role. Individual Alaskans apparently accept responsibility for their own careers. When asked their one wish – “I wish I’d paid more attention in school” was a frequent response. Employers voiced a common wish: that graduates have basic literacy and computational proficiency, and a “ready to work” ethic. The study group supports the concept of a “certificate of employability” that sets standards responding to the employers’ wish list. According to professionals working on this concept, it could be implemented by October 2003.

As federal Secretary of Education Rod Paige remarked during his CWN forum earlier this month: “all of us are smarter than any one of us.” Assistant Secretary of Commerce David Sampson, Administrator of the federal Economic Development Agency, echoes this message. Dr. Sampson stressed the need for Alaskans to take advantage of our regional “competitive advantages,” encourage “cluster business” and think in terms of “Alaska’s Jobs for Alaska’s People,” the title of our report. The study confirmed that where we have good collaboration, particularly with employers, we have excellent results. Some sectors and regions of Alaska are ahead of others. Successes, such as Industry Consortia, need to be shared, understood and expanded. There appears to be plenty of room for improvement and enhanced collaboration, but who is responsible for this collaboration? This report suggests the Governor set the benchmarks, and that he hold the Alaska Workforce Investment Board (AWIB) accountable to pull it all together.

Federal and Alaska statutes require that the AWIB adopt a priority list each year based on economic, employment and other relevant data in order to focus training dollars on critical workforce needs and employment opportunities. Highest need “job clusters” are based on growth potential, statewide impact and availability of jobs, the accessibility of career ladders within an industry and the level of non-resident hires. Health care is the highest priority based on extreme needs. Construction, information technology and transportation continue to be AWIB priorities based primarily on their growth potential. Seafood, education and hospitality are new additions to the priority list based on their high number of non-resident workers or a shortage of a strong recruiting pool. Special social and economic development issues in Alaska’s rural and bush communities exacerbate the challenge of finding workers in those areas.

Are today's Alaskans ready to step into these jobs? Apparently not in sufficient numbers. Experts predict with some certainty that 48,000 new jobs will be created by 2010. That number could be dwarfed by potential "mega-projects" such as a gas pipeline that could produce both temporary construction and permanent legacy jobs. Are we adequately preparing ourselves for the future? The study group documented wide gaps among various public and private workforce development providers and placement programs, educators (P-16) and employers – to succeed we need to close those gaps.

We learned that competition for resources often pits our schools, vocation training centers, colleges and university against one another. Therefore another recommendation suggests how to improve collaboration. The report calls for a P-16 integrated strategy, and better collaboration between School Boards and the Board of Regents of our University system. The recent memorandum of collaboration signed by UAA, Charter College, Anchorage School District and Alaska Pacific University is an excellent example of such collaboration. All of us need to think in terms of P-16 and beyond, and all the divergent career pathways in between, as one integrated process of learning over a lifetime.

How economic development and workforce development work together depends on community values and priorities. The Study Group suggests a "talent pool strategy using regional economic growth as the driver." The Study Group looks to the Governor to articulate these points statewide and to provide leadership under new integrated strategies. As a first step, the study also recommends better collaboration among state commissioners charged with the currently disjointed confederation of departments responsible for education, economic development and labor development. As a second step, businesses must make their needs known and participate.

Failure to appreciate the urgency of immediate action dooms another generation of Alaskans. Alaska's base industries will face a more severe worker shortage in the future as Baby Boomers continue to advance into retirement. The Study Group recognized, however, that the ultimate responsibility to prepare for and employ Alaskans is with you, the reader of this report. Each of us has a role to play in developing and employing Alaska's workforce. We must act now. If we fail to act, the opportunities we see on the horizon may become tomorrow's crisis.

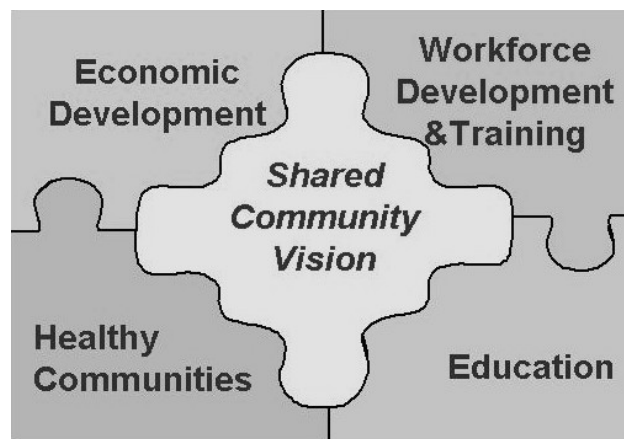
The "ideal" workforce development system

The goal of workforce development in Alaska is to increase and maximize Alaska's jobs for all of Alaska's people. A high percentage of Alaskans should be filling Alaska's best career jobs.

A further goal is to increase income for individual Alaskans who live in or are born in Alaska. It is more important to create wealth and good lives for Alaskans than to create growth for its own sake.

Efficient use of resources and stewardship must be valued. Alaska wants to rationalize and develop its opportunities. This will require discipline and accountability around integrating, coordinating and managing existing structures effectively instead of creating new ones.

Effective workforce development does not occur in a vacuum; four key components are inextricably intertwined:



Numerous successful models in Alaska and across the nation share characteristics in common. They are:

- Grounded in support of economic development.
- Industry-based and industry-driven.
- Based on demand-driven priorities.
- Efficient users of resources.
- Contributors to community values, goals, and wellness.
- Accountable based on end-user (employer and worker) satisfaction. "What gets measured gets done."

The net result is increased opportunities and per capita income for Alaskans.

Ten Recommendations: We can get there from here

From vigorous debate and discussion, briefings and presentations from Alaska's experts in study topic areas, and a consensus on goals and assumptions, the Study Group emerged with ten actionable recommendations:

1. The Governor must set clearly quantified targets for Alaskan participation in quality jobs and challenge all departments to meet them. The Governor must set a specific target reduction of the 68,000 Alaska jobs that currently are filled by non-resident workers and positive goals for the 48,000 future jobs that have been identified.

Establish a specific timeframe for this reduction.

Champion workforce development as an economic driver for the state, ensuring the health of our current industry and for future economic development in the coming decades. This includes identifying strategic occupations that will help expand the production base of the economy.

2. Utilize the full capacity of the Alaska Workforce Investment Board (AWIB) as the point of contact for system improvement. Return the Alaska Workforce Investment Board to the Governor's office to forge strong alignment across the Departments of Labor & Workforce Development, Commerce, Education and Health & Human Services. Their workforce development-related missions are inter-related and inseparable.

The AWIB must be:

- Industry led. Diverse representation of workforce stakeholders on the AWIB can ensure integrated workforce investment policies for all of Alaska.
- Demand driven in the way it allocates investment dollars.
- Able to interact with and lead in a wide range of issues that transcend the federal Workforce Investment Act.
- Able to support and enhance the broad range of workforce investment activities in Alaska. To enable increased access to private funding sources, the AWIB should establish a private, non-profit entity that can receive funds from both public and private entities.

3. Establish an economic development plan for Alaska that integrates workforce development, education and healthy communities. Appropriate state divisions and agencies must work together to maximize returns on the natural, financial and human assets available in Alaska. Each component must have a shared vision, a unique mission and participate in complementary action. The 1998 CWN report "Alaska's Asset Portfolio: Managing for Maximum Return," addresses asset management issues and policies (for more information, see <http://www.commonwealthnorth.org/>).

4. Ensure that all funding spent on workforce development in Alaska includes integration with economic development, healthy communities and education reforms efforts. Funding proposals should address all of these elements.

5. Establish an Information Clearinghouse within AWIB that will have three major components:

a) **Information Base:** The Clearinghouse will maintain a repository of information on workforce development, education and training activities, programs and resources across Alaska. It will include descriptive information, performance and cost data. It will be both a portal to existing information resources and an organized database to access projects, programs and grants around the state that are currently difficult to identify and understand. With this information, investors, training providers, policy makers and employers can avoid duplication of programs, identify and promote best practices, and create synergy among related efforts. While the information may initially focus on government funding sources, it is intended to provide a view into the full range of workforce investment activities that are funded by multiple sources.

b) **Evaluation:** The AWIB will evaluate proposals for training and workforce project funding in Alaska. This information will support the state and Congressional delegation in their funding allocation decisions. The AWIB will utilize Alaska's Future Workforce Strategic Policies and Investment Blueprint as a tool to assess the strength of proposals for new investments and to identify potential improvement of proposals based on known best practices.

c) **Technical Assistance:** The Clearinghouse will offer assistance to organizations as they develop workforce investment programs within their communities. It will again rely on the Blueprint and the Information Base for context, guidelines and promising practices. The goal is clear, well-designed proposals for workforce development. Programs must be demand-driven, accessible, interconnected, accountable, have collaborative governance and be sustainable, i.e. 'built to last.' This technical assistance role will also develop funding beyond existing governmental sources to generate financial synergy, leverage assets and access private sources.

6. Forge strong alignment between the Departments of Labor and Workforce Development and the Department of Commerce and Economic Development. Their missions are inseparable. All their plans and actions should reflect the opportunity for cohesive, strategic economic development.

7. Reconfigure the educational system into a well-articulated "P-16" (preschool through university) structure that provides Alaskans with strong foundations to progress into high-quality careers. Integrate Career Pathway concepts into learning: Create career awareness in grade school, career exploration in middle school (visits to fire house, power plant, etc.—job shadows, etc.), and career preparation in high schools (internships, apprenticeships, employability skills, etc.). Embed "employability skills" in the P-16 system curriculum. In addition to the exit exam, **require certification of employability** of "soft" skills (such as teamwork, work ethics, promptness and critical thinking). Transcripts must reflect employability learning (courses taken, critical life skills learned, specific training received and certifications achieved).

8. The Board of Regents and the Board of Education must coordinate and align their goals. Today's education system is fragmented and ill-prepares Alaskans for the world of work and careers. Too many high school graduates are not adequately prepared for employment. The forty percent of students entering the University of Alaska system that need remedial training drains resources that could be more effectively employed. Current political reality pits K-12 versus the University for funding. Coordinated P-16 planning can present a more united and effective front to the legislature, industry and the public.

9. Promote healthy communities. The vitality of Alaska's communities, both large and small, depends upon good jobs and the creation of economic opportunities. Workforce programs need meaningful local participation, leadership and buy-in. Establish and use principles for program development and service delivery that avoid creating dependencies and encourage self-reliance. Economic development, education and workforce development will have failed if they do not ultimately result in healthy communities.

10. The interest, participation and enthusiasm of industry must be engaged in Alaska's future workforce development. Industries and employers are in the best position to project the skills and competencies that workers will need in the future. They are in the best position to assess the effectiveness of programs delivered through the workforce development "system." Without a commitment to hear and implement industry insights, employers will soon lose interest. Business-learning partnerships and other private sector organizations can promote and strengthen this outreach. In short, without industry's voice as a leading partner, the "system" will default to lackluster processes and outcomes that do little to promote and support economic growth.

The four Components: Economic Development, Education, Healthy Communities & Workforce Development System

Goals, findings, research and ideas were discussed for all four of the interrelated components that are considered critical for the success of any economic development or workforce-building effort. The sections that follow summarize and elaborate on the study group's findings and recommendations in each component.

Economic Development

Economic development and the economy create the boundaries within which workforce development can occur.

Introduction: Critical labor needs call for strong action.

Employers import workers while Alaskans are unemployed. In 2001, 68,000 non-resident workers held jobs and earned over one billion dollars in wages, which went into the economies of their home states. Over 20,000 of those jobs are lucrative and desirable for many Alaskans. Private sector Alaskan businesses reported that 21% of their work force is not eligible for the Permanent Fund Dividend, according to March 2003 data.

A cohesive workforce policy can address these critical problems:

- a. Many high school students are not job ready.
- b. Too many Alaskans are locked in dead end jobs.

There is no cohesive economic development policy for Alaska. Our economy faces a time of change both from advances in technology in the work place and the increasing global nature of business. The workforce must evolve in parallel to changing employment needs. A proactive economic development policy will align a clear economic development vision for Alaska with workforce needs. Strategic occupations must be identified that will expand the productive economic base of Alaska. It is imperative that Alaska builds an adaptable, flexible workforce with the ability to recalibrate skills as required by the labor marketplace.

Challenges: Alaska workforce development has grown without coordination and needs major alignment and reform.

Alaska's size and regional diversity require region-specific workforce and economic development responses. There are substantial differences in employment opportunities in different regions of Alaska. There are many needs in rural Alaska, but many people do not want to work there. There are greater opportunities and resources in urban Alaska. A further complication is that in some high-demand areas wages are insufficient to attract workers. Examples of this are entry-level jobs in fisheries, hospitality, wholesale-retail and the social service sectors. Higher skill positions are often difficult to fill in rural areas.

Economic conditions control both the number and kinds of jobs that become available. Alaska's ability to identify jobs of the future is constrained by the state's lack of either an economic development or fiscal plan. In turn, economic development opportunities are constrained by the quantity and quality of the Alaska workforce. Workforce development and economic development are a classic "chicken and egg" situation.

Education and training lead times do not correspond to business and industry demand time frames for new workers. Many programs are uncoordinated and do not relate to real world demand for jobs. There is a lead-time gap between industry needs and the ability of the system to create programs to satisfy those needs. Even the workforce development community lacks sufficient understanding of the lead-time required for education and training changes. Current and future jobs will go unfilled, or will be filled by imported labor, unless training programs for Alaskans have enough lead time to take advantage of projected business needs. As a major employer, the State of Alaska also needs to improve its own workforce training.

Programs are fragmented, and not coordinated throughout the career of people in the workforce. Workforce development needs to address all three phases of individual worker needs:

- a. Entry into the workplace;
- b. Evolving and advancing skills once employed; and
- c. Training and opportunity awareness for people with special needs.

Opportunities: Better coordination of the significant current workforce development expenditures could make a big difference in the impact!

Demand driven programs can offer realistic career opportunities if the system can respond in a timely manner. Better communication and collaboration between businesses and education and training sources can improve response times.

Coordinate and focus existing funds from all sources, including non-government sources of training funds. Coordination and cooperation can make the most of workforce development investment funds. If all current workforce development investment funds could be identified and aligned, the total amount of funding may actually be sufficient to make a significant difference.

Current employees need constant skills development. An up-to-date workforce can itself create economic opportunities as employers find ways to utilize the talent.

Building worker capability expands future businesses opportunities. Appropriate workforce preparation unleashes the innovation and creativity of our youth and existing workers in response to opportunities we cannot yet anticipate. Workforce development that builds the capability of people to be flexible, creative, innovative and disciplined creates opportunities, as well as a competent labor force.

Findings: Alaska can prepare for both predictable and unknown future workforce needs.

Alaska's economy functions in a global, not a parochial environment. To enhance economic opportunities of individual Alaskans, public policies and economic development need to enhance value-added processes in our resource based industries and seek out opportunities in knowledge-based industries (success stories: McKinley Capital and Alaska Permanent Capital). Workforce development needs to be in support of and in tandem with economic development. The Alaska economic development strategy needs to focus on clearly identified markets, which have different workforce requirements:

- a. The statewide Alaska market;
- b. The national market; and
- c. International markets.

The Department of Labor tracks many occupations and clearly predicts future needs for them. However, emerging businesses and workforce requirements based on technology advances may not be easily predicted based on existing jobs. The jobs of the future require a labor force capable of flexibility and with adaptable skills. Therefore, workforce development has two major prongs or opportunities:

- a. Filling predictable jobs and careers in existing occupations; and
- b. Filling knowledge-based jobs of the future.

Small businesses (under 500 employees) comprise the largest component of Alaskan employers. The needs of small businesses for labor and on the job training must be evaluated since they employ a large percentage of the workforce and create many economic opportunities.

Recommendations: We need a consistent long-term plan for workforce development with a strategy for integrating all available tools.

- a. Workforce development and economic development need to be integrated.
- b. Students must be provided opportunities to engage in community service based learning projects where they will learn about the needs and challenges of our community and industry. This can result in new business opportunities.
- c. The overall coordinated plan needs to have a meaningful long-range time horizon—perhaps at least ten years.
- d. Use the Department of Labor occupational information to coordinate and rationalize programs for predictable job and career needs.
- e. Identify specific training needs in rural Alaska.
- f. Think beyond government. Do not rely on government to solve all the problems.

Education

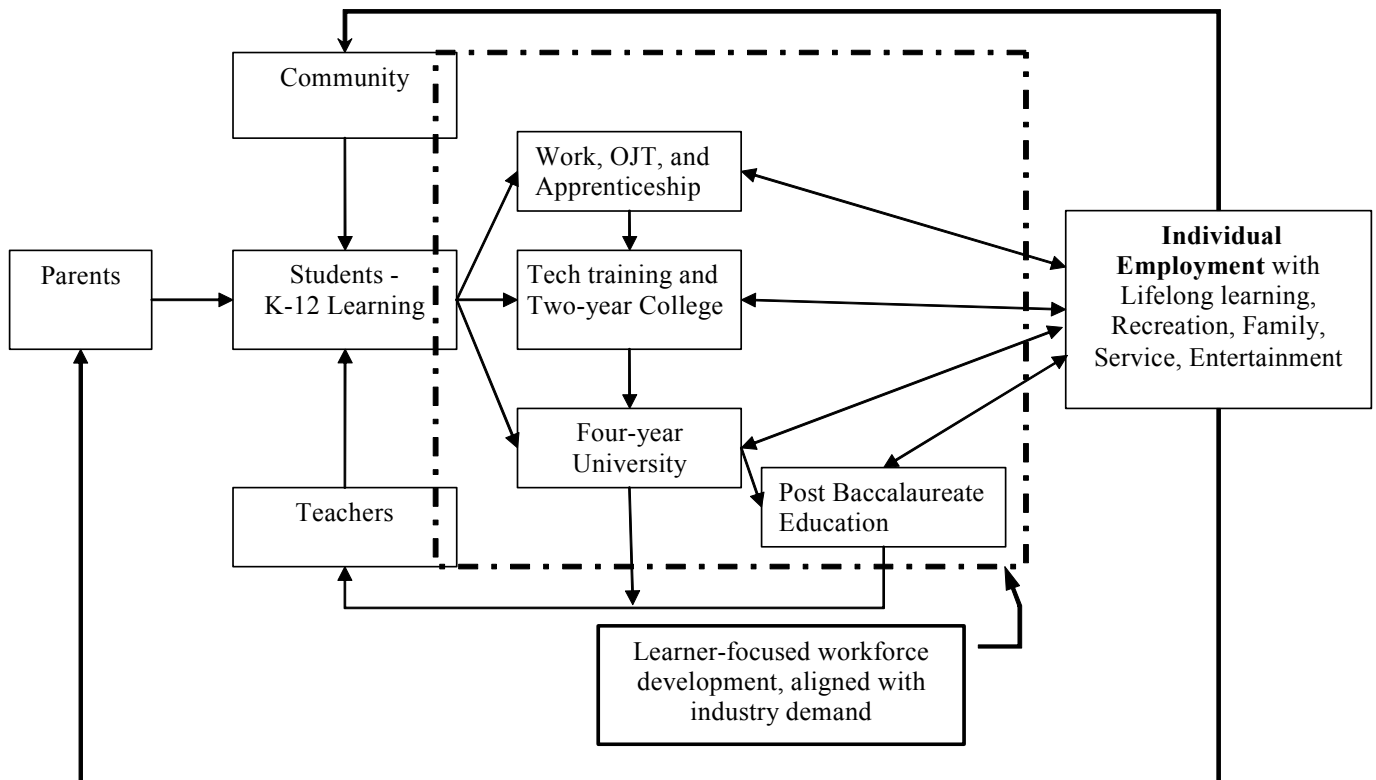
Strive for simple and effective ways to reform education

Introduction: Good education is the prerequisite for good workers.

Workforce development and economic development require quality and relevant education from preschool through university, otherwise referred to as P-16. Well-educated individuals tend to be self-motivated who can in turn work, adapt, change and find resources to meet their own goals. Self-sufficient individuals contribute to and build a strong economy and healthy communities.

Map of ideal workforce development and education system

This map illustrates that workforce development is a part of a system of learning. At the heart of workforce development are individuals who understand opportunities they have and how to pursue related education and training they need. Top down efforts will not be effective unless individuals are aware of opportunities, motivated to learn and supported by healthy communities. Each one of us, as individuals, are the ultimate input to the workforce system as parents, involved members of the community and workers pursuing our own education and training. Finally, the map underscores that workforce development must truly serve workers and industry to be successful.

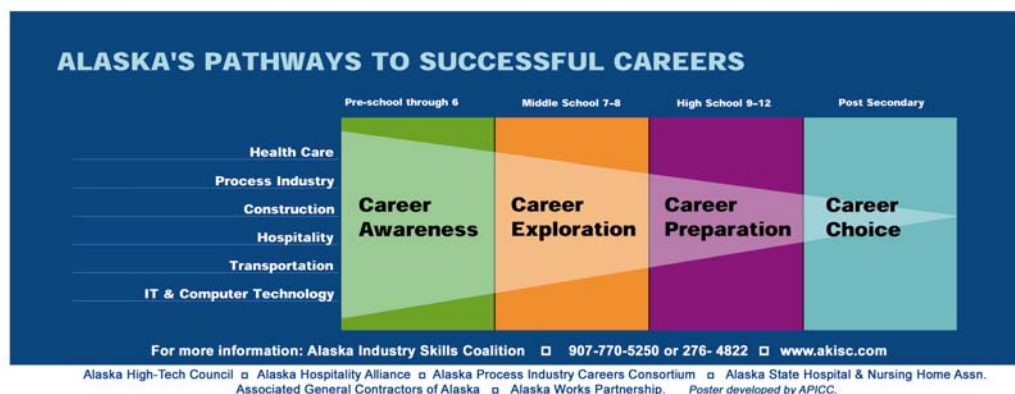


Challenges: Current structures and approaches are not meeting our needs.

- a. We need strong, clear leadership at all levels to create and maintain a common vision.
- b. We need to think out of the box to provide options and relevance to students both in curriculum, smarter use of resources and facilities and new technologies.
- c. The economies across the state in urban and rural areas are vastly different and need to be accounted for and further developed.
- d. Problems that schools face are complex and outside resources such as business and communities should be engaged in the solutions.
- e. Rural Alaskans need to be equitably represented at the policy levels.
- f. Recognize the challenges with the implementation of the No Child Left Behind law as it impacts schools.
- g. A significant number of students drop out of the K-12 system, resulting in reduced individual skill attainment.
- h. The transitory nature of the school population brings additional challenges to the system.

Opportunities: Great educational improvements can be made through innovation and alignment.

- a. We need a clear pathway through the school system that leads students to successful transition to the workforce.
- b. A new administration and a new State School Board of Education provide an opportunity for doing things in a new way.
- c. Engage local people in the system to develop the larger system sensitive to regional needs.
- d. Regional Learning Centers should be explored as a way to fill educational gaps and to enable all students to be able to measure up to higher standards. Students could re-enter the system to improve exit scores and gain new skills.
- e. Activate the structure and framework of the Clearinghouse concept to help educators, parents, students and community members to connect with the system.
- f. Reconfigure the system in a P-16 structure so greater connectivity is provided throughout the system.
- g. Involve business and industry throughout the education process.



Findings: Education affects all, must involve all.

- a. Our ability to provide quality workforce preparation is limited by the segmentation that exists in our current systems.
- b. There is no quick fix so we must develop a plan, based on a shared vision with key stakeholders, that can be implemented in a phased approach over time.
- c. When a program like Career Pathways is explained fully to a community, they will buy into it.
- d. There is a role to play in improving the system and the preparation of our workforce by Chambers of Commerce, industry consortia, concerned citizens and community leadership.
- e. Too many of our communities and employers are leaving the entire development of our children to the schools.

Recommendation: Do not shy away from bold steps.

- a. Local school boards need to take responsibility to ensure that parents are involved in dialogue with the schools at critical points in their child's education, particularly aligned with competency exams. Villages and communities need to demonstrate ownership of their school systems.
- b. The State School Board needs to assume a strong and clear leadership role in ensuring a unity of purpose across the system and a coordinated effort to restructure the state school system.
- c. Local school boards must rigorously review their policies to ensure they are aligned with the goals of No Child Left Behind and the development of self-sufficient individuals who will contribute to and build a strong economy and healthy communities.
- d. Integrate Career Pathways into all grades with direct relationships to industry and the community. Mandate Employability Performance Standards.
- e. Build more bridges across the educational system to include:
 - Articulation agreements to allow credit transfers among high school to college, vocational technical schools and apprenticeship programs.
 - Vocational and technical educations should be delivered as a system with limited overlap and all institutions teaching in areas of regional priority or statewide excellence.
 - Postsecondary programs should develop a secondary component to recruit students and provide a bridge to the next phase of learning.
 - Use the school-to-work model to create a working relationship between communities, educational entities and employers, all being focused on the individual child.
- f. Employability skills identified by the Department of Education in partnership with industry must be implemented statewide using a validation or certification mechanism that involves both schools and the broader community including employers.
- g. Because of the complexity of these issues, a deeper study is needed in this area.

A significant Technical Preparation Consortia finding:

Students who have had one career or technical education class in high school test higher on their SATs.

Healthy Communities

Good workforce development programs respect community values, support community wellness and help build healthier individuals.

Introduction: There are no quick fixes.

Wellness and healthy communities are critical components and determining factors for effective workforce initiatives in both urban and rural Alaska. Many Alaskans are unemployed due to complex emotional or physical challenges. Like all efforts to improve life for challenged Alaskans, workforce development must constructively address the core issues of wellness.

Training and a job are secondary efforts to an individual who is not well or who is struggling from chronic depression, substance abuse, sense of powerlessness or a suicide of a friend or family member. An Alaska Native may be challenged by historical trauma, or self-destructive behaviors or substance abuse. A Vietnam Vet may face problems due to post-traumatic stress syndrome. A physically handicapped person may need to overcome depression, anxiety or fear.

Every interaction between an individual or community and an outside entity has the potential to either increase or decrease that community's wellness. How services are delivered is very important. Healthy Community is directly tied to community ownership and control over change. Community ownership is measured by the degree to which the community uses its own values and knowledge to direct decisions. This is essential for independent living, obtaining self-sufficiency and having a healthy sense of sovereignty.

The ability for the community and individuals to make decisions, to receive recognition and to take responsibility is directly linked to a sense of self-esteem and health. In order to be effective, workforce development programs must follow principles that address the special needs of all people and that support healthy individuals and communities. The way a program is designed and how resources are accessed are central to wellness as well as to effective workforce development.

Challenges: How you do it is what you get.

Many existing workforce development programs do not support healthy communities. A major overhaul of program design and delivery is required.

- The overhaul needs to result in programs that are seamless from one service to the next. Confusion and powerlessness result when the resources are spread between many different funding agencies each with different application processes, evaluations criteria, requirements, planning expectations and timing.

- Reduce dependence on the provider. Personal responsibility is essential to health. Navigation of confusing systems can reduce personal responsibility and require dependency on agency experts or consultants. The helpers become part of the problem. Reliance on an outside expert can reduce individual and community sense of ownership.
- Transform service delivery models to resource access models. Service delivery models that require a dependence on providers can lead to an unhealthy obedience to or dependence on that provider or service agency.
- End programs that create dependence. These programs reduce the community or individuals' locus of control. Loss of control is linked to a sense of victimization and loss of self-esteem. Loss of self-esteem is tied to chronic depression, substance abuse or suicide.
- Build a body of knowledge specifically researched and designed to address and overcome the self-destructive behaviors associated with trans-generational trauma.
- Develop flexible, accessible programs that reflect and integrate community values and needs. Address all barriers, physical, and vocational that may prevent or hinder the inclusion and integration of all Alaskans. User input is vital to good program development.
- Recognize that bureaucracies are self-perpetuating and resistant to change. Bureaucrats, responsible for change, are often committed to their own values or systems and can be the most resistant and difficult to change.

Opportunities: Hope, choice and inclusion are essential components of individual and community success.

Choice and accessible paths to meaningful jobs with adequate pay central to individuals and communities.

- Choice is an essential tool for hope and self-esteem in the lives of Alaska Native children as well as adults.
- Choice is an essential tool for the inclusion of and self-esteem in the lives of people with disabilities.
- Recognition of the resource and positive impact that people with disabilities can provide to the workforce of Alaska is important. (Seventy percent of disabled Alaskans are unemployed—they are a potential, motivated labor pool for many industries.)
- Using regional and community capacity and responsibility to deliver workforce development is part of supporting community wellness.

Findings: Define and use principles of wellness.

Effective workforce development programs involve communities as they articulate and actualize their own needs.

- Individuals and communities are able to match their needs to available resources from any point on their own continuum of capacity. Accessible resource models use understandable and easy-to-get-to menus. They involve a clear understanding of the principles that result in communities and individual wellness.
- It is essential to bring together all available knowledge to identify the principles of wellness and then use them in all program delivery in Alaska.

Recommendations: Use principles of wellness as the measure of success.

- Create a body of knowledge specifically focused on how to build programs and service delivery models that support community and individual efforts to overcome self-destructive behaviors associated with child abuse.
- Based on this body of knowledge, establish program development and service delivery principles that support healthy people and healthy communities and integrate these principles into all workforce development programs.
- Establish principles of inclusion that utilize the Universal Access provisions in the Workforce Investment Act guidelines.
- Establish benchmarks based on the inclusion of Alaska Natives and communities into the development and administration of workforce development strategies and programs.
- Create a One-stop job center system that is understandable, accessible and works for both individuals and employers.

The Workforce Development System

Pulling it all together

Introduction: It's a new landscape.

Alaska stands on the threshold of navigating disturbing waters for employers, but with the promise of opportunity for the future. The demographic composition of today's workforce and labor pool will erode the ranks of experienced, highly educated and trained professionals as the Baby Boom generation moves into retirement, with too few younger workers to take their places. Yet new opportunities for economic development lie before the state.

The creation of and long-term commitment to a plentiful workforce—educated and skilled for the occupations of the future—is the key to economic vitality.

Recognizing the complexity of the workforce development “system” as it evolved in political environments of the 20th century, the national landscape is undergoing a fundamental sea-change in education and training.

No longer are the benchmarks for “success” calculated on the basis of training-hours delivered or the number of individuals who have cycled through government-funded programs. In today’s environment, the measure of success is based on “customer satisfaction.” The “customers” are the employers and individuals who make use of the federal, state and regional/local programs that provide training, job placement and related “workforce” services.

More to the point, under the sweeping reforms in the federal Workforce Investment Act (WIA) of 1998, virtually all programs funded with federal dollars are grounded on regional economic development outcomes. If you happen to be in the private sector, this connection of training and job services to economic demand in the marketplace is, in the vernacular, a no-brainer. The WIA, for the first time, recognizes the critical, essential need to accommodate the real, marketplace demand for workers in trade and commerce

Put simply, in the new revolution of the federal WIA, industry is in the driver’s seat, for the first time, in charting the course of workforce and education development for the future.

Challenges and opportunities: We have what it takes to meet the challenges.

Major stakeholders in the workforce development environment recognize that the system today is complex, fragmented, inefficient and inadequately responsive to employers and workers. At the same time, Alaska’s assets are in place to position our state for high-wage, lifelong careers that employers will need to succeed.

For states and regions nationwide, the challenge ahead lies in engaging industry to participate at the table and chart the programs that will meet the demands of local economic development. Aligning economic development reality with the human capital it will take to achieve it. Business and industry is the primary resource for identifying and defining the skills that are and will be in demand for new enterprise, growth of core industry sectors and sustaining economic vitality.

Findings: The menu for a successful workforce development system
Business and industry leadership and participation must be engaged as the driving force for workforce development. Like all other states, the engine that drives Alaska’s workforce development initiatives is the federal government. The new WIA mandates that Workforce Investment Boards be comprised of a majority of industry membership. In other words, Congress intended that industry (i.e. the demand side of the equation) guide, oversee and govern workforce development programs.

From state programs to local education and regional training initiatives, outreach and an open-door invitation for policy-making participation must be pursued with industry. Collaborations such as that achieved by organizations such as the Industry Skills Coalition and Alaska Business Education Partnership should be encouraged and supported—both to enable industries to connect with the system and leverage federal and foundation funding and other assets.

Coordination and creativity are required.

Greater coordination and creativity must be employed to:

- Take advantage of and leverage Alaska's assets and access to workforce and education funding;
- Initiate aggressive research and "reality checks" on the education and skills demands for major employer sectors;
- Stimulate, adopt and adapt model workforce development, training and education programs that will meet the needs of industries and employers;
- State agencies have to focus their support on enabling the entire community to engage in building a healthy, effective place to develop their children;
- Deliver high-quality service to employers and the employees they need to succeed;
- Leverage, explore and use all resources for a common goal: high-wage, high-quality jobs and careers for Alaska's people.

Recommendations: The Governor and the Alaska Workforce Investment Board (AWIB) are keys.

The reform and effective delivery of services for any program must begin at the top, where leadership, collaboration and cooperation can be focused.

Reconstitute the AWIB. The Study Group recommends that a redesigned, reconstituted and reinvigorated AWIB, answering directly to the Governor and returned to the office of the Governor, can best achieve this coordination. The weight and influence of the Governor can raise the level of importance for sound workforce development and capture the attention of employers that are critical to Alaska's economic development success.

The new AWIB should be constituted as envisioned and required by the federal Workforce Investment Act of 1998, to be:

- Grounded on economic development and growth;
- Industry-driven with a majority of industry members;
- Accountable directly to the Governor;
- Empowered with full program development authority, oversight and allocation of federal workforce-related funds to the state.

Coordinate state programs. The Departments of Labor and Workforce Development, Community and Economic Development, and Education and Early Development need to work closely together to address the full scope of workforce development issues. The AWIB, located in the office of the Governor, can transcend "turf" issues and facilitate policies and procedures among workforce-related departments that will stimulate and encourage programs to meet industries' demand for skills and employee competencies.

Set targets for performance. It is not enough to measure "success" by the number of "new jobs" in labor and employment statistics. Alaska needs a sustained increase in workers who aspire to "careers," rather than McJobs. The state needs to replace non-resident, high-wage workers with Alaskans who live and make their homes here. The

state needs to encourage and assist our existing workforce to achieve higher skills and competencies through ongoing up training.

The state Administration must raise the bar for economic vitality—with the primary measure for success based on the growth of per capita income. Whatever the targeted goal, this must be the target for state agencies with missions related to training and educating Alaskans. “What gets measured gets done.”

2003 Department of Labor reorganization steps

The following section is submitted by K. J. Farnham, Executive Director of the Alaska Workforce Investment Board

Alaska Workforce Investment Strategic Priorities

CONTEXT:

Alaska is positioned for strategic change that will strengthen our workforce investment efforts as a tool for economic development. The Administration has a heightened focus on performance and is strengthening the relationship of economic development to business / employer needs.

The business-led Alaska Workforce Investment Board (AWIB) plays a central role, which is to: assess workforce needs, maintain a strategic perspective on workforce investments, define strategies to align economic development and employer needs, evaluate the effectiveness of the system and recommend performance improvements.

The current structure includes a total of 59 designated seats across three boards:

- The AWIB
- The Anchorage/Mat-Su Local Workforce Investment Board (LWIB)
- The Balance of State LWIB

The Department of Labor & Workforce Development (DLWD) administers all services across the Balance of State; while the Municipality of Anchorage (MOA) has provided support for a portion of the Anchorage/Mat-Su services, specifically job training programs. Twenty-five MOA staff work alongside DLWD staff in the Anchorage/Mat-Su region to deliver workforce investment services.

STRATEGY:

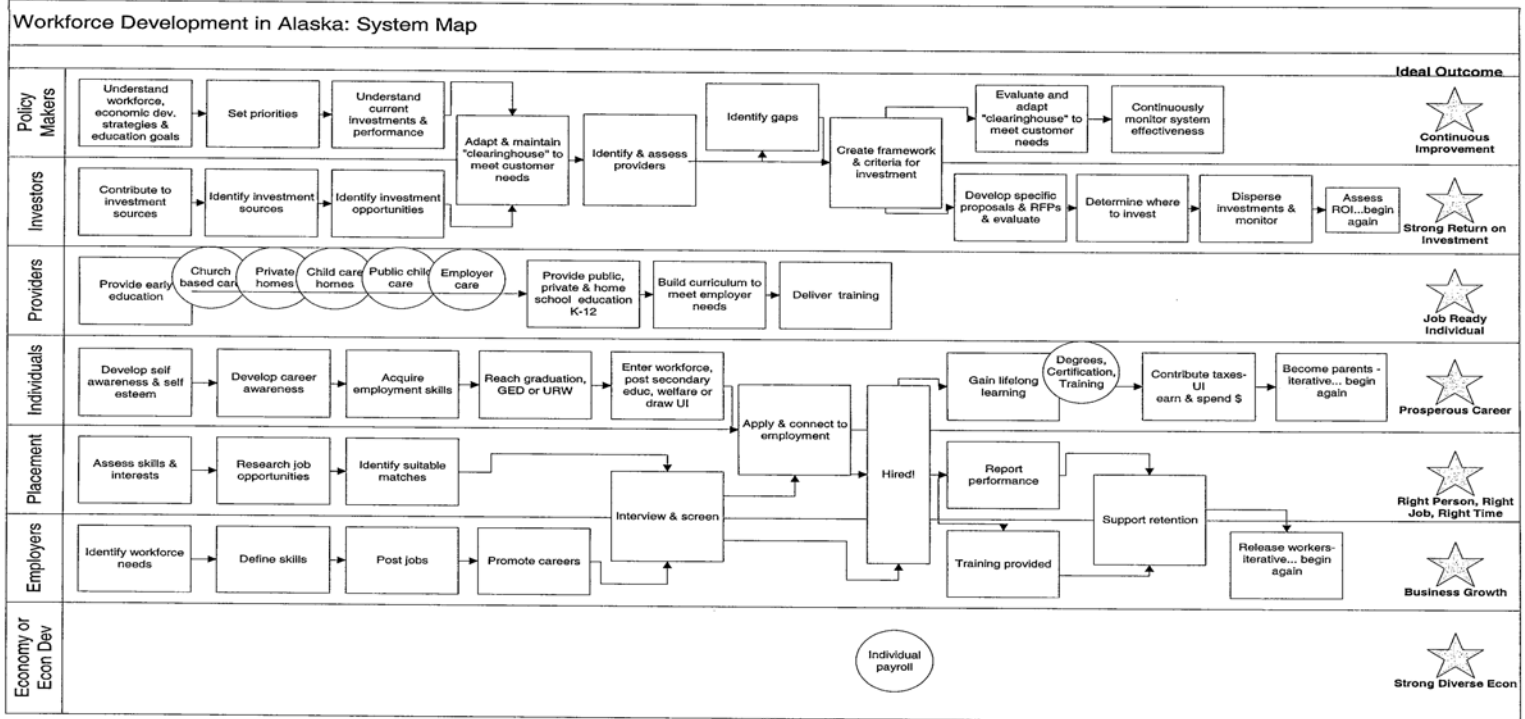
The Administration’s strategy for change is to streamline and strengthen the board to result in a single state board, the AWIB, and a single workforce investment area, with a more senior level of membership on the board and a more strategic agenda.

The changes will:

- Increase the efficiency of administrative efforts, resulting in more of resources being available to client services.

- Promote consistency in service delivery and ultimately higher performance.
- Attract more senior level business members to the AWIB.
- Raise the quality of dialogue by the AWIB, with more focus on statewide strategies and their linkage to regional economic and workforce development needs.
- Result in a governance system that is less complex to participants and service providers who currently must navigate across the three entities.
- Improve the visibility and accountability of workforce investment programs that exist throughout Alaska, supporting more coordinated use of shrinking dollars.
- Increase performance levels statewide through a more results focused system.
- Establish consistent eligibility standards across the state.
- Improve client services through a simplified set of resources offered by Job Centers.
- Help clients access to services they need faster, and eliminate the duplication of services that currently exist.

The charts below represent a major breakthrough in identifying how the parts of the workforce development system fit together.



Workforce Development in Alaska: Definitions

Policy Makers	WF Definition: Private, public and volunteer entities that influence investors, they provide context for policy making decisions, make decisions about where to go	Policy (Merriam Webster): a definite course or method of action selected from among alternatives and in light of given conditions to guide and determine present and future decisions; a high-level overall plan embracing the general goals and acceptable procedures especially of a governmental body
Investors	WF Definition: Those with funds available for the workforce system; can be federal, state, local government, employer, non-profit, foundation, individual, or other organizations	Invest (Merriam Webster): to commit (money) in order to earn a financial return; to make use of for future benefits or advantages
Providers	WF Definition: Training entities; those who provide work force training, can be universities, unions, public and private schools, public and private training organization, etc.	Provide (Merriam Webster); to make preparation to meet a need; especially, to supply something for sustenance or support
Individuals	WF Definition: The person in the system - universal	Individual (Merriam Webster); a particular being or thing as distinguished from a class, species, or collection; a single human being as contrasted with a social group or institution; a single organism as distinguished from a group
Placement	WF Definition: For profit and non profit agencies, schools and individuals who guide to jobs	Placement (Merriam Webster); the assignment of a person to a suitable place
Employers	WF Definition: Those who employ, all roles, they are public and private entities	Employ (Merriam Webster); to use or engage the services of, to provide with a job that pays wages or a salary
Economy or Econ Dev	WF Definition: Can be global, national, state and or at a community level; it is a driver	Economy (Merriam Webster); of, relating to, or based on the production, distribution, and consumption of goods and services; or relating to an economy or having practical, industrial significance or uses; affecting material resources

Baseline data, research & information

Dittman Research Corporation May 2003 survey

Overview

During the period May 5, 2003 through May 9, 2003, three hundred and ten (n=310) Alaskans over the age of 18, located in 64 communities, were personally contacted via telephone by professional interviewing employees of the Dittman Research Corporation of Alaska. The views and opinions of the Alaska residents were recorded on a strictly confidential basis.

Research Design

Two samples of n=155 each were selected throughout the state: one sample from areas that have access to state job centers, and one sample from areas without access to state job centers. A random sample design was featured which ensured that all households listed in the most current telephone directory for communities in each area had essentially an equal chance of being interviewed.

Sample Selection

For the Communities with Job Centers portion of the Workforce Development research (n=155), a random sample design was featured which provided that all households listed in the most current telephone directory for each of the 20 Job Center communities had essentially an equal chance of being contacted.

Community w/access to Job Center	Population	Sample
Anchorage	260,283	n=55
Bethel	5471	n=6
Delta Junction	840	n=1
Dillingham	2466	n=3
Eagle River	(in Anc.)	n=7
Fairbanks	30,244	n=20
Glennallen	554	n=2
Homer	3946	n=3
Juneau	30,711	n=11
Kenai/Soldotna/Sterling	49,691	n=10
Ketchikan	7922	n=3
Kodiak	6334	n=3
Kotzebue	3082	n=3
Nome	3505	n=4
Mat-Su (Palmer, Wasilla, etc)	59,322	n=12
Petersburg	3224	n=1
Seward	2830	n=1
Sitka	8835	n=3
Tok	1393	n=1
Valdez	4036	n=1

For the Communities without Job Centers portion of the Workforce Development research (n=155), a random sample design was featured which provided that all households listed in the most current telephone directory for 38 non-Job Center communities had essentially an equal chance of being contacted.

Community w/out Job Center	Population	Sample Size
Akutan	713	n=3
Anderson	367	n=2
Angoon	572	n=2
Barrow	4,581	n=19
Cantwell	222	n=1
Central	134	n=1
Cordova	2,454	n=10
Craig	1,397	n=6
Fort Yukon	595	n=3
Galena	675	n=3
Haines	1,811	n=8
Healy	1,000	n=4
Hoonah	860	n=4
Huslia	293	n=1
Kake	710	n=3
Kaktovik	293	n=1
Kiana	388	n=2
King Cove	792	n=3
King Salmon	442	n=2
Kivalina	377	n=2
Klawock	854	n=4
McGrath	300	n=1
Meshik-Port Heiden	119	n=1
Metlakatla	1,375	n=6
Nenana	402	n=2
Noorvik	634	n=3
Point Hope	757	n=3
Port Graham	171	n=1
Sand Point	952	n=4
Seldovia	286	n=1
Skagway	862	n=4
St. Paul	532	n=2
Thorne Bay	557	n=2
Togiak	809	n=3
Unalakleet	747	n=3
Unalaska	4,283	n=18
Wrangell	2,308	n=10
Yakutat	680	n=3

Summary

- In most cases, despite major differences in geography, there doesn't seem to be a great deal of difference between Alaskans' employment-related experiences in communities with a State of Alaska Job Center and communities without Job Centers.
- For example, by far the largest number of people in both types of communities are employed (70-77%), in long-term career-type jobs (70-80%), in which job satisfaction is very high (46-53% “...the job I've always wanted...trained and studied for it and plan to stay”). Very few (4-8%) report they're dissatisfied and actively “...looking for something else.” In addition, most respondents (79-88%) in both areas reported their total household income is sufficient to “sustain them and their families comfortably.”
- Further, in both types of communities, source of employment is largely based on personal effort (78-79% “word-of mouth/responded to newspaper ad/sent resume/applied/promoted within company/started own business”), while few in either area (6%) reported job placement through State of Alaska Job Centers.
- Nevertheless, over a lifetime or career, a larger number of respondents (21-30%) reported they had used some type of employment or training service offered by the State of Alaska--and in this case, there was a notable difference between respondents in Job-Center-served communities and non-Job-Center communities: respondents in non-job-center communities were much more likely to utilize state “job training” services (31%) and “U of A placement services” (15%), while “Job Centers, including listings” (72%) were utilized in communities where they were available.
- Some aspects of “training” (23-28%) and “more education/college” (20-23%) are described as the most critical needs in preparation for a career or finding a “great job.” And, in spite of reported high satisfaction with current employment, many respondents (54-61%) believe they could use “more skills or training...” However, State of Alaska Job Centers are not generally seen as a primary source to provide the needed training.
- Nevertheless, among respondents who have utilized some aspect of state-provided employment or training services, the interaction is generally highly positive--the vast majority of users (78-87%) consider the service provided as “somewhat or very helpful.”
- In conclusion, this research suggests that the State of Alaska Job Centers face a fundamental challenge in Alaska related to public perceptions and usage. Alaska's workforce and potential workforce are apt to use their own resources to seek jobs, and, while they believe in the importance of additional training, they are not likely to consider acquiring this training through state Job Centers. Additional research might study the ramifications if state government did not provide Job Centers--would private-sector employment centers adapt to fill the need?

Key Concepts and Graphs

Alaska's looming challenge—the future will not and should not be the same as the past—per Alaska Department of Labor and Workforce Development (ADLWD).

- a. **Worker gap:** Historically, our growing economy has depended on the dramatic growth of our workforce. Future workforce growth may be difficult to achieve.
- b. **Skills gap:** Our productivity has also been substantially boosted by our ability to steal skilled workers from the Lower 48 states—a strategy that will be more difficult in the future. We need more focus on growing our own.

Training needs to fit into the overall wage environment

While certain employment sectors are in crisis securing necessary workers, it is not accurate to assume the reason is simply because adequate training programs do not exist. Training programs are adequate but industry wages are insufficient to attract people to the jobs (e.g. fisheries, hospitality, teacher education); in other cases, training programs exist and have sufficient capacity for additional training, but students are not selecting these occupations (e.g. aviation, culinary arts, some allied health, construction trades); those employment situations that require limited training, students are graduating from high school with inadequate basic skills necessary to hold a job. It is a complicated situation that needs more than a focus on the training side. An example of this can be found in nursing. As the hospitals have begun to raise wages and improve working conditions, more trained people are coming back into the profession and more people are being attracted to training programs.

Non-resident jobs

In 2001, 68,000 non-resident workers held jobs vital to Alaska's economy and earned over \$1 billion in wages. The lion's share of these wages went into the economies of the workers' home states. Private sector employers reported 21% of their workforce was not eligible for a Permanent Fund Dividend. (Voc/Tech MOU 4/9/03)

Workforce myths (ADLWD)

- a. In the future, most jobs will require a four-year degree. Untrue: the biggest slice of the pie is jobs requiring less than one month of on-the-job training
- b. All of the high-wage jobs of the future will require a four-year technical degree.
- c. Only fast-growing occupations provide good employment opportunities.
- d. Employers put the highest premium on technical skills. Actually, general foundation skills are just as important.

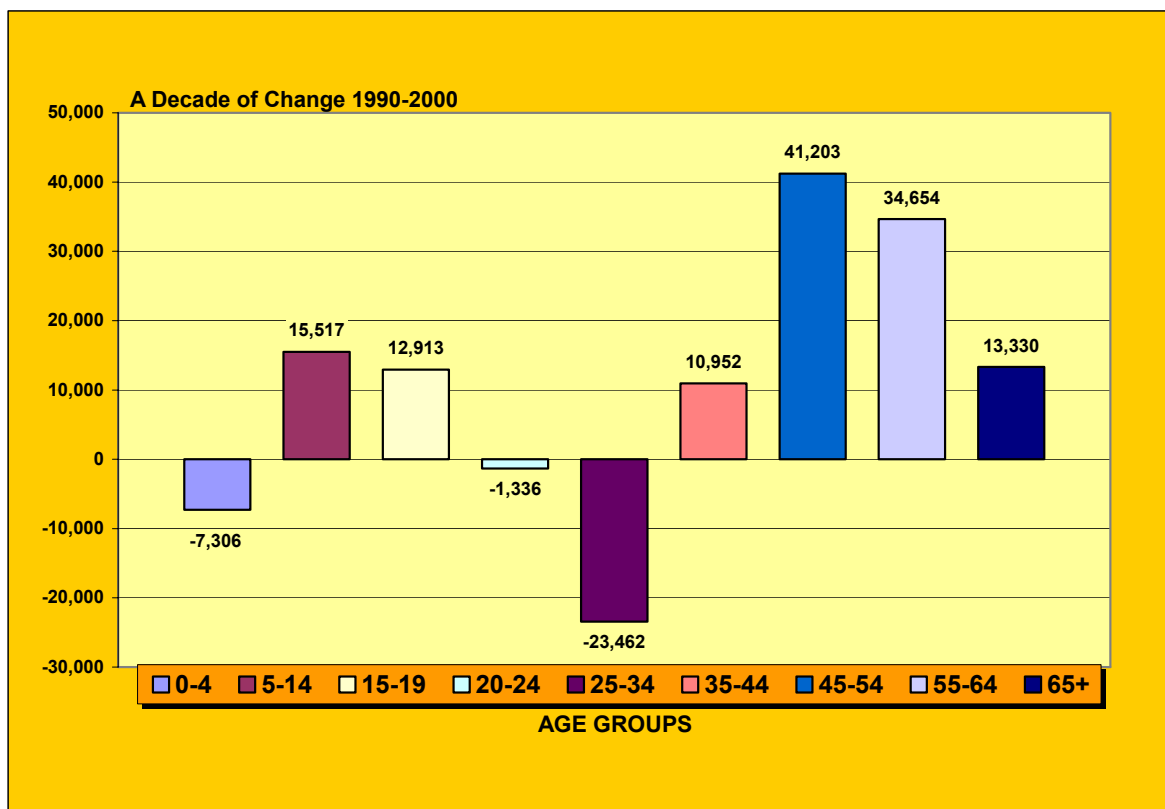
Rural Alaska

Rural Alaska is difficult to predict and in the highest state of crisis. The Department of Labor does not forecast for rural Alaska. The size of Alaska's labor market does not allow for accurate predictions in rural Alaska.

The “Baby Boomer” gap (ADLWD)

Alaska has the babies and the “Baby Boomers.” Our population age distribution mirrors that of the rest of the country. That means that we will have trouble importing workers. Alaska has a large population bubble in the 35-54 year old and 0-19 year old categories. However, the intervening generation, the 20-34 year old group is about one-third smaller than the other groups.

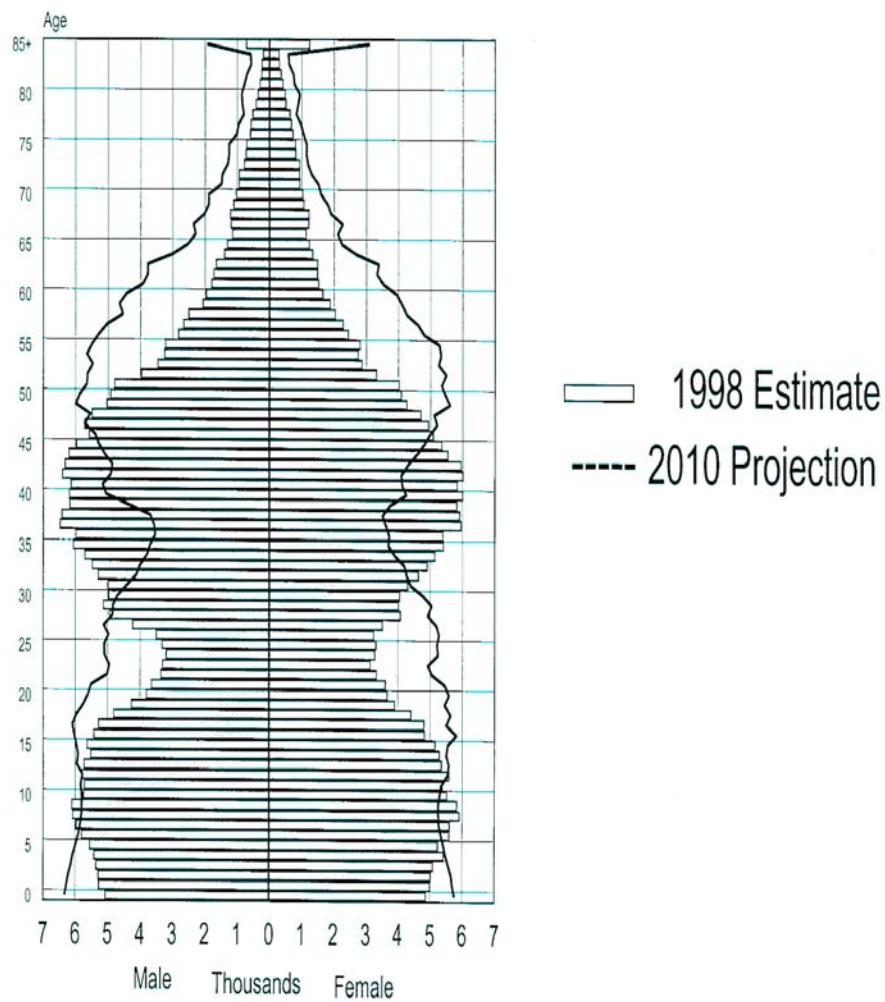
Over the last decade, Alaska lost people in the 20-34 year age range.



Not enough younger workers will be available.

As today's workers get older, a smaller number of younger workers will be following them.

Population Age Distribution 1998 -2010 Alaska



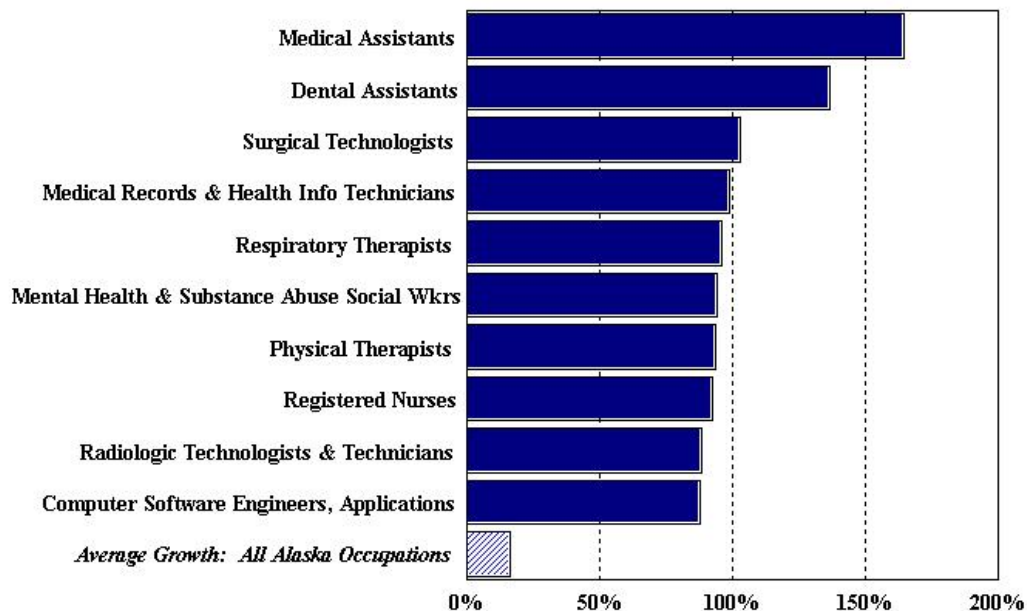
Industry Employment Forecast Alaska (2000 – 2010)

The Alaska Department of Labor and Workforce Development's occupational employment forecasts are the end product of a three-part system: employer surveys, construction of a matrix of industries and occupations and industry employment forecasts. Highlights of the 2000-2010 industry forecast include:

- Nearly 48,000 new jobs will be added between 2000-2010.
- The services sector will dominate industry growth, accounting for 69% of the new jobs.
- Retail trade is projected to contribute nearly 8,000 jobs, ranking second in industry growth.
- Transportation, communications and utilities ranks third, adding almost 5,000 new jobs.
- Construction and mining will post modest growth; manufacturing will remain constant.
- Federal and local government will grow slightly over the forecast period; state-government employment will decrease.

Alaska's Fastest Growing Occupations

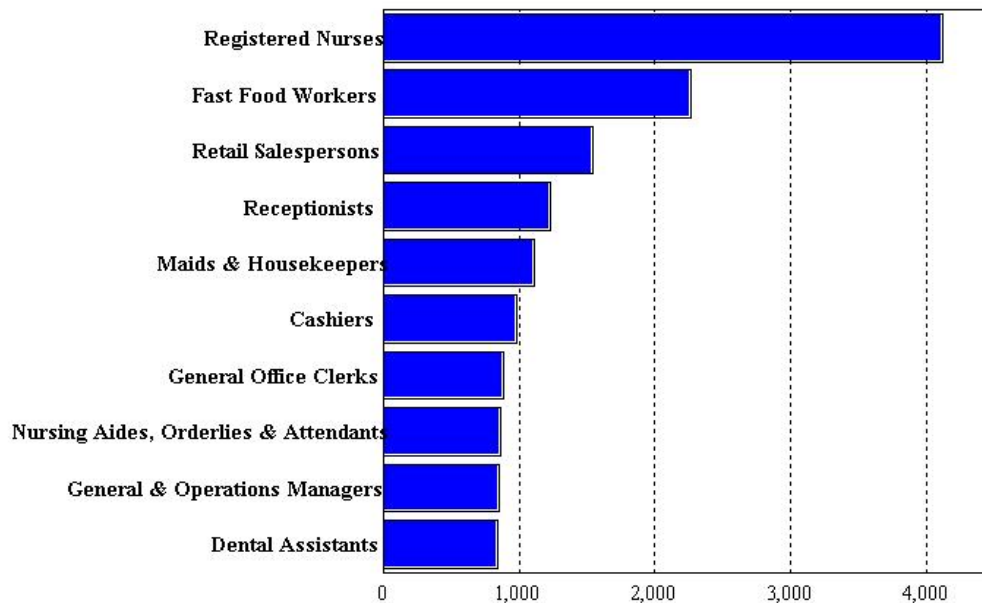
Projected 2000-2010



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

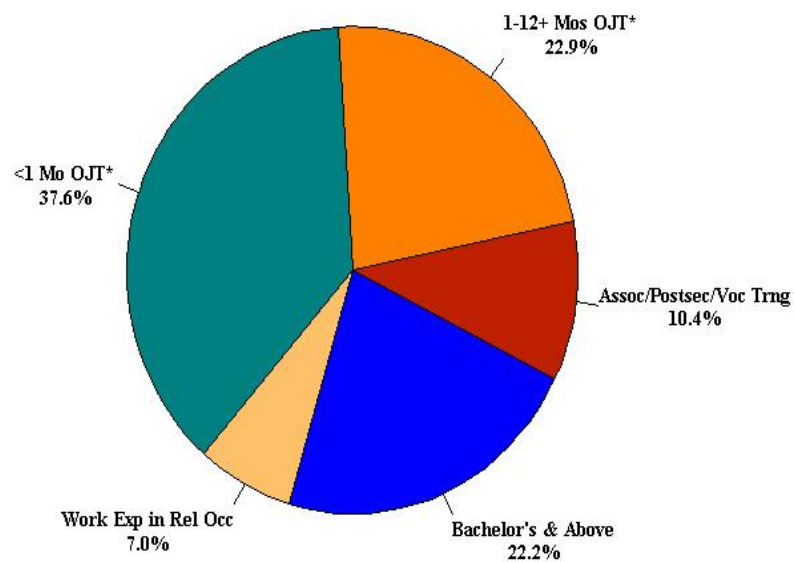
The following graph shows the ten occupations that are expected to add the most jobs over the forecast period. Approximately one of every six workers will be working in one of these occupations in 2010.

Alaska Occupations with the Largest Numeric Increase Projected 2000-2010



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Alaska's Future Jobs by Level of Required Education Projected 2010



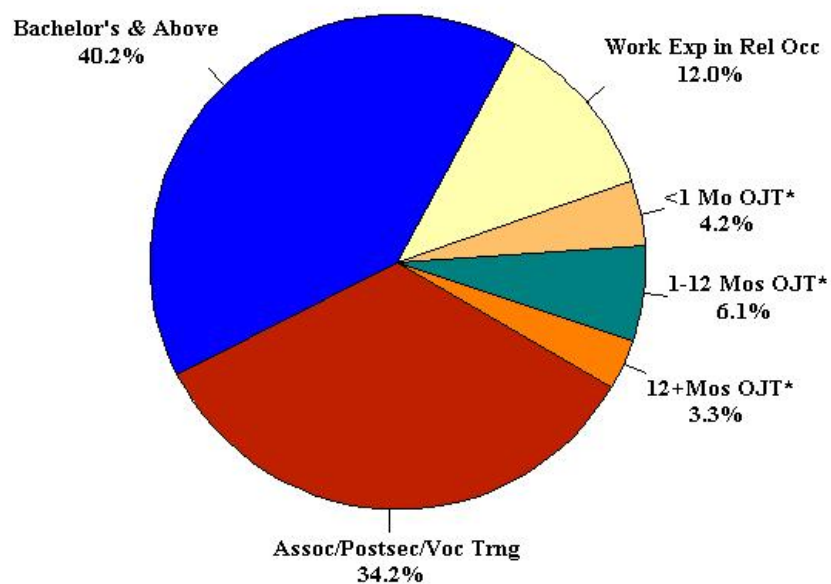
* On-the-job training

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

What about potential big projects in the future?

Potential large development projects are unpredictable and challenging to plan from a workforce development point of view. ANWR or a gas line would result in a huge number of workers during construction. Alaska's labor force is too small to provide a large percentage of project construction workers. However, there may be a better opportunity to train workers for the permanent, ongoing operational phase of these projects. Certain jobs, such as electricians, are highly transferable, could be used on a project, and could be targeted.

Alaska's Best Bets by Level of Education
Projected 2010



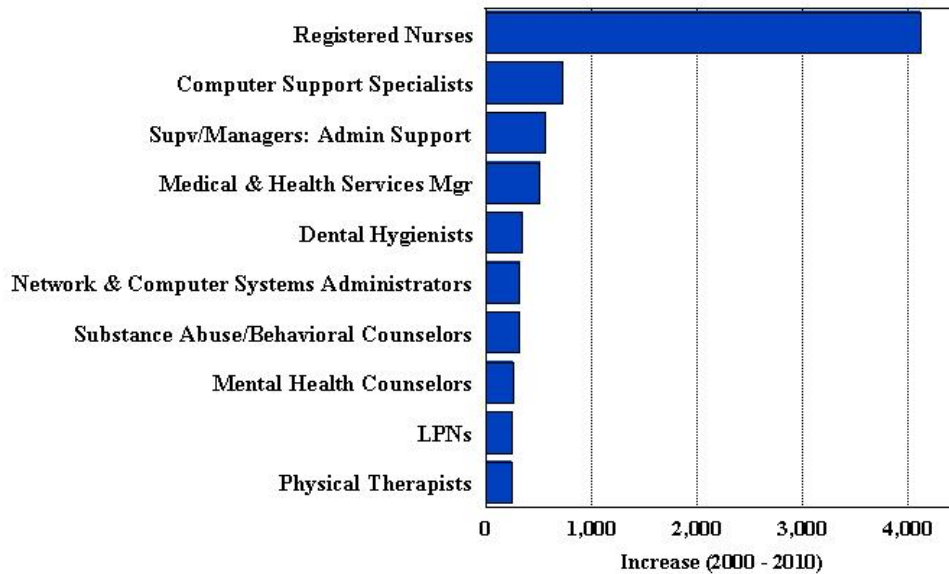
* On-the-job training

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Alaska's "best bet" jobs are those that have higher than average wages and a higher than average projected growth in employment.

Alaska's Best Bets Occupations That Have It All

Projected Numeric Increase 2000-2010



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Alaska's Best Bet Skills according to the Dept. of Labor and Workforce Development:

- Verbal and written communication
- Problem solving
- Math and science
- People skills
- Management skills
- Working with things

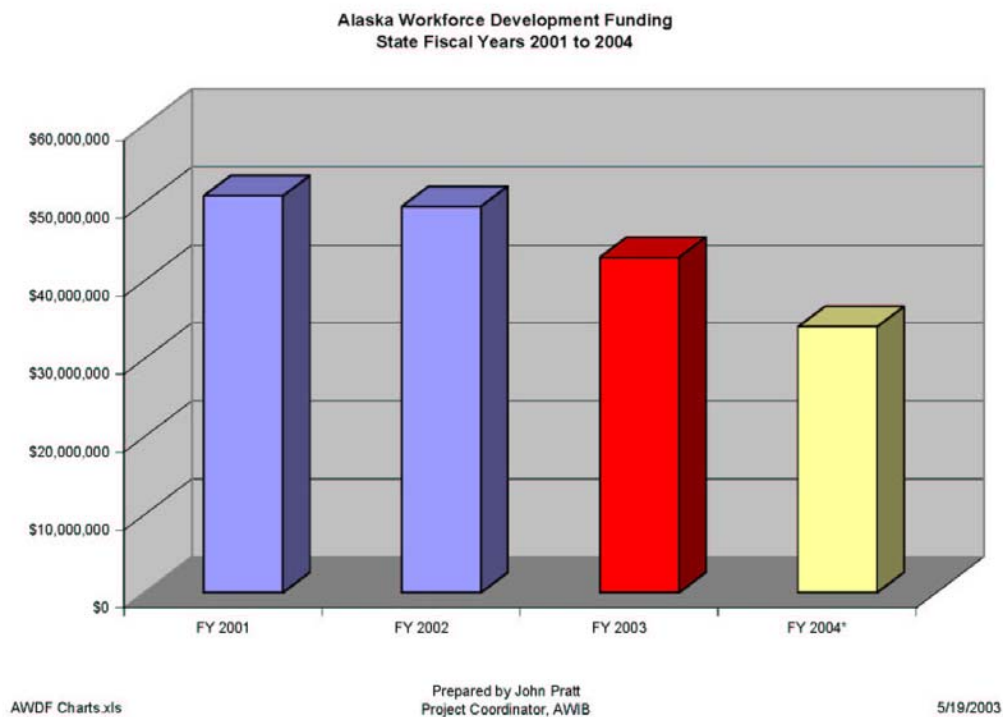
Total funding for workforce development is hard to track, but state-administered funds are declining.

ALASKA WORKFORCE DEVELOPMENT FUNDING
State Fiscal Years 2001 to 2004
By Funding Source

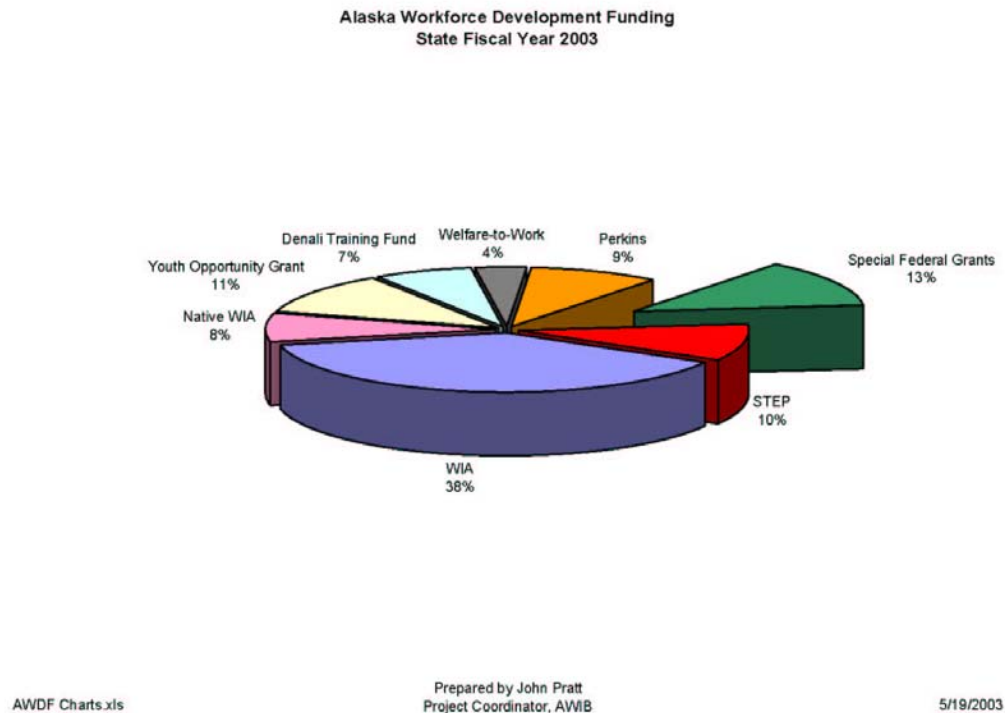
	FY 2001	FY 2002	FY 2003	FY 2004 [*]	TOTALS
WIA ADULT	\$2,626,264	\$3,169,516	\$4,302,076	\$3,363,112	\$10,097,856
WIA DISLOCATED WORKERS	\$4,031,966	\$6,506,230	\$5,551,442	\$1,994,305	\$16,089,638
WIA STATEWIDE PROJECTS	\$1,302,538	\$1,877,090	\$1,735,844	\$985,901	\$4,915,472
WIA RAPID RESPONSE	\$1,679,986	\$2,710,929	\$1,450,725	\$283,836	\$5,841,640
WIA YOUTH	\$2,733,361	\$3,568,592	\$3,450,422	\$2,738,907	\$9,752,375
WIA sec. 166 COMPREHENSIVE**	\$1,987,353	\$1,987,353	\$1,987,353	\$1,987,353	\$5,962,059
WIA sec. 166 YOUTH**	\$1,306,017	\$1,306,017	\$1,306,017	\$1,306,017	\$3,918,051
YOUTH OPPORTUNITY GRANT [#]	\$8,000,000	\$6,000,000	\$4,902,193	\$4,902,193	\$18,902,193
DENALI TRAINING FUND	\$1,800,000	\$2,793,400	\$3,000,000	\$2,435,000	\$7,593,400
WELFARE TO WORK	\$360,000	\$1,269,076	\$1,642,000	\$0	\$3,271,076
PERKINS	\$3,937,433	\$3,937,433	\$3,908,636	\$3,935,478	\$11,783,502
SPECIAL FEDERAL GRANTS**	\$17,304,945	\$10,098,000	\$5,450,000	\$5,450,000	\$32,852,945
STEP	\$3,814,366	\$4,297,600	\$4,324,200	\$4,701,500	\$12,436,166
YEARLY TOTALS	\$50,884,229	\$49,521,235	\$43,010,908	\$34,083,603	\$143,416,372
Notes:	[*] Projected				
	^{**} FY03 data was used for all years in this report				
	[#] The FY02 award of \$9,804,385 covers a two year period				
	^{**} There may be others in FY03/04 not captured in this report				

The chart above does not include tribal, foundation, union, apprentice, school, other directed federal funds or other non-state-managed funds.

Therefore, the funding that remains will need to be more effectively spent.



How it is being spent now:



Tech Prep for Alaska

Tech Prep is a process that provides technical and academic preparation and where possible, work-based learning in a specific career field. It partners secondary education, post-secondary education, labor and business in a sequential course of study without duplication of coursework that will lead a student to a post secondary certificate, credential, apprenticeship or an associate or baccalaureate degree.

Students can receive regular UAA credit by completing articulated courses, completing a registration form and paying a \$15 per credit administrative fee. Partnerships courses are based on a set of competencies that are agreed to by the UAA faculty and the partner program instructors.

University of Alaska Tech Prep

Measures	Prior to Spring 2002	Spring 2002	Fall 2002	Spring 2003
Tech Prep students (non-duplicated) who received concurrent credit at UAA	0 (Students did receive concurrent credit at Mat-Su College.)	40	86	120
Tech Prep Student Credit Hours at UAA	0	531*	367	670*
UAA programs with Tech Prep agreements	9	9**	10	10
Sections for concurrent UAA Tech Prep credit	0	15	25	49
Total # of courses approved for articulation at UAA	Approximately 60	81	105***	115

* This included full year credit for students in year-long programs.

** Many agreements had not been revised for 5-10 years.

*** Four sections were transferred to Mat-Su College this term.

Other Tech Prep options are available at The University of Alaska Fairbanks, The University of Alaska Southeast and Charter College

Potential implementation steps for Commonwealth North

1. Presentations of draft document to Commissioner O'Claray, the Governor, departments and legislators (Presented May 8, 2003)
2. Publication of Board approved draft for statewide comment and thereafter the final document (Completed May 13, 2003)
3. Testimony on the report as requested
4. Accountability – seek feedback on benchmarks that could be used by AK 2020, the annual State of the State address, etc.
5. Report distribution plan
6. Presentations to UA Board of Regents, Alaska School Board, Fairbanks and Juneau chambers. PowerPoint available to the group to use. Follow-up cards.
7. A series of Compass pieces
8. Draft specific executive orders to speed execution of recommendations
9. Assure adequate AWIB staffing
10. Affected departments and agencies sign Memorandum of Understanding for cooperation and coordination
11. AWIB actively recruit employers to serve on the Board
12. Study Group members will continue to meet on their own and create an awards ceremony
13. Press conference with top employers—have a statewide forum with them
14. Additional related studies needed:
 - Alaska's access to markets
 - Reforming the Alaska educational system
 - Improved management structures for Alaska's assets

Glossary:

- Alaska Business Education Partnership (ABEC) – A partnership of employers, educators and community members working together to ensure all Alaska's youth are prepared for work and lifelong learning.
- Alaska Career Information System (AKCIS) - Comprehensive, career information and planning software program designed to help teens and adults explore career and educational opportunities in Alaska and throughout the U.S.
<http://www.akcis.org/>
- Alaska Industry Skills Coalition - Coalition of the six industry led workforce partnerships of business and education including: the Alaska High-Tech Council's IT Careers Consortium; the Alaska Hospitality Alliance; the Alaska Process Industry Careers Consortium; Alaska State Hospital & Nursing Home Association; Associated General Contractors of Alaska and the Alaska Works Partnership.
- Alaska Native Centers Employment and Training (ANCET) – A network of federally funded Alaska Native programs which supplement the one stop system by extending the system through local tribal or community-based delivery systems.
- Alaska Process Industry Careers Consortium (APICC) – The first industry-led workforce organization in Alaska, formed in 1999 and develops the workforce for oil, gas, mining, power generation, water & wastewater treatment and forestry products manufacturing.
- Alaska Vocational and Technical Education Center (AVTEC) – Located in Seward and is Alaska's only comprehensive vocational training school.
- Alaska Workforce Investment Board (AWIB) (formerly the Alaska Human Resource Investment Council) – Alaska's policy board for workforce development, "Creating the connections to Put Alaskans into Good Jobs." Responsible for fulfilling WIA requirements (see below) and additional standards established by the Alaska Legislature.
- Alaska Works Partnership, Inc. – A statewide organization representing all of Alaska's construction trade unions and their apprenticeship programs, working together to put Alaskans in jobs and careers.
- Annual Provider Performance Report – Report prepared annually by AWIB staff under the Unified Plan, as required by WIA, of the effectiveness of the ELTP.
- Articulation agreements – Operating agreements between education institutions allowing the transfer of credit from one program into another.
- Blueprint – Alaska's Future Workforce Strategic Plan and Investment Blueprint. The AWIB's comprehensive written framework, unified approach and action steps for advancing vocational education and career training in the state created in 2000. http://www.techalaska.org/pdf/Symposium_April_docs/Heesch2.pdf
- Career Pathways – Education structures for organizing instructional content designed around broad career areas. Included the elements of career awareness, exploration, preparation and choice and forms the basis for lifelong learning. Created to prepare all students for further education or training and employment.
<http://www.dmtcalaska.org/akbec/pathoverview.html>

- Denali Training Fund – Funds for individual training made available through the Denali Commission and administered by the Dept. of Labor.
<http://www.labor.state.ak.us/esd/fundapp.pdf>
- Eligible List of Training Providers (ELTP) – Database of education and training providers in Alaska eligible to receive Workforce Investment Act funds, whose oversight is the AWIB.
- Federal Executives Association – A group comprised of representatives of key federal agencies which exchanges information and coordinates federal government activities.
- First Alaskans Institute – Native Alaskan “think tank” committed to developing the capacities of Alaska Native peoples and their communities and to promoting Native ways of understanding to the broader Alaskan population.
- Labor Market Information (LMI) – Research by labor economists, funded by the federal government, and offered through the state Department of Labor.
<http://almis.labor.state.ak.us/>
- Nationally recognized industry based standard skills (e.g. Cisco, Registered Apprenticeship Programs) – An essential component of workforce development ensuring that our training makes our people qualified to work anywhere in the nation, not just in a local area – transferable accreditation. Standards vary from industry to industry in how they are implemented. The National Science Foundation, the US Department of Labor, and the Nation Skills Standards Board are all government agencies that work to establish standards, as well as industry or vendor specific organizations that do the same.
- One Stop System – The federal term for the consolidated delivery of employment and training services, known in Alaska as the Alaska Job Center Network.
<http://www.jobs.state.ak.us/>
- P-16 – Term used to describe a more seamless education model that would incorporate pre-school through college education. It does not necessarily imply consolidation, but rather creating bridges across and among the private and public institutions that deliver education.
- Regional Learning Centers – Emerging partnerships of educational, community and local business interests seeking to fill gaps in education and training in rural Alaska. These collaborations are locally driven.
- State Unified Plan – The document filed by Alaska under the leadership of the AWIB, above, documenting our federal compliance with WIA and detailing our service delivery in workforce development.
- STEP – State Training and Employment Program funded by investment from state unemployment insurance fund to provide retraining for employees who are unemployed or who will become unemployed within six months.
- Vocational Education Provider Group (VTEP) – Broad new collaboration among vocational providers including AVTEC, the College of Rural Alaska, and Regional Learning Centers etc. committed to forming a comprehensive system of delivery to minimize duplication and maximize Alaska’s training resources.

- Workforce Investment Act (WIA) – Bipartisan reform effort for workforce development, initially passed five years ago, and due for reauthorization this year. This act, which built upon work done under the earlier one stop reform initiatives, is based on the following elements: increased accountability, coordination and flexibility, customer choice, work-first, business focus, universal access and delivered through the one stop system both brick and mortar and electronic.

Information Sources

1. AWIB, Alaska's Future Workforce Strategic Plan and Investment Blueprint
2. Alaska Department of Labor and Workforce Development, Research and Analysis
 - a. Labor Market Data
 - b. Neal Fried—macroeconomic overview
 - c. Brynn Keith—occupational analysis
3. ISER—employer demand, key issues
4. Governor Murkowski's plan
5. Eligible Training Provider's List (ETPL)
6. Alaska Commission on Postsecondary Education list of providers
7. Various provider's websites and catalogs
8. AKCIS
9. Career-cluster Website
10. ITCC's publication "The ABCs of WIA", written for employers
11. ISC's publication "Partners in the Works" about industry-led workforce efforts and their "co-opetition" efforts.

Success stories:

- APICC
- North Slope Borough and Northwest Arctic Borough joint efforts (Lori Henry)
- Mat-Su Borough School District (Kris Forrester)

Resource people interviewed:

- Mike Andrews—Alaska Works Partnership
- Neal Fried—Department of Labor and Workforce Development
- Lance Howe—ISER/First Alaskans research
- First Alaskans Institute
- Brynn Keith—Department of Labor and Workforce Development
- Shirley Holloway
- Mona McAleese—ADA Partners Project
- Krag Johnsen—the Denali Commission
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