Workforce Alignment

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SHEEO Community of Practice
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Outline

I. What We’ve Done
   I. Virginia Plan
      I. Strategic Finance plan
   II. Tech Talent Investment Program
   III. Workforce Credential Grant

II. What We’d Like to Do
   I. Currently reviewing infrastructure and resources
   II. What (if any) new infrastructure do we need?
What We’ve Done
Virginia’s goal to be best-educated state

Credential Attainment of Population Ages 25-64

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Certificate or Credential</th>
<th>Associate degree or higher</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>51%</td>
<td>47%</td>
<td>4%</td>
</tr>
<tr>
<td>2015</td>
<td>51%</td>
<td>47%</td>
<td>4%</td>
</tr>
<tr>
<td>2016</td>
<td>52%</td>
<td>48%</td>
<td>4%</td>
</tr>
<tr>
<td>2017</td>
<td>54%</td>
<td>49%</td>
<td>5%</td>
</tr>
<tr>
<td>2030</td>
<td>70%</td>
<td>60%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Virginia aims to reach 70% of its population ages 25-64 with either a certificate or credential, or an associate degree or higher by 2030.
Attainment Goal by Award Level

Estimating the optimal mix of the credentials needed is challenging. These estimates rely on current attainment levels, degree projections reported by institutions, third-party forecasts and labor market demand.
## Attainment Goal by Award Level

### The Number of Additional Credentials Needed to Meet Virginia’s 2030 Goal

<table>
<thead>
<tr>
<th>Credential Type</th>
<th>Current Attainment (18-54)</th>
<th>2030 Attainment</th>
<th>Additional Credentials Needed*</th>
<th>On track based on projections</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate</td>
<td>94,443</td>
<td>467,828</td>
<td>373,386</td>
<td>No</td>
</tr>
<tr>
<td>Associate</td>
<td>336,836</td>
<td>608,177</td>
<td>400,695</td>
<td>No</td>
</tr>
<tr>
<td>Bachelor’s</td>
<td>1,552,021</td>
<td>2,198,793</td>
<td>646,772</td>
<td>Yes</td>
</tr>
</tbody>
</table>

* The number of associate degrees is increased by 20% of the Bachelor’s degrees needed to reflect the students who will continue on to a Bachelor’s degree.
Tech Talent Investment Program

How Virginia sealed the deal on Amazon's HQ2, 'the biggest economic development project in U.S. history'

By MICHAEL MARTZ Richmond Times-Dispatch Nov 16, 2019

Virginia’s top economic development official, who led negotiations with Amazon, said his state historically has been less generous than others in granting subsidies.

“Virginia is generally a relatively low-incentive state, typically the lowest incentives in the South,” said Stephen Moret, director of the Virginia Economic Development Partnership.

“We wanted to win this in a Virginia way, and that was more about emphasizing our assets, in particular our stable, competitive business climate and our outstanding education systems,” Moret said.

America’s

Best categories: Workforce (No. 1), Education (No. 1 – tied with Massachusetts), Business Friendliness (No. 3)

By Robert McCartney

November 13, 2018 at 8:22 p.m. EST

Amazon will benefit from government subsidies and investments totaling more than $2.4 billion from Virginia, New York and Tennessee to build its new facilities, spurring complaints that taxpayers shouldn’t be subsidizing one of the nation’s most prosperous companies.

A big gap in the size of incentives promised by New York and Virginia also stirred concern in the Empire State — and quiet satisfaction in the Old Dominion — that Richmond had cut a better deal than Albany. In the largest single subsidy offered by each state, New York offered tax credits equal to $48,000 per new job, while Virginia agreed to workforce cash grants of $22,000 per job.
Tech Talent Investment Program

Virginia Pledges $1 Billion for Tech Talent Pipeline

Eleven universities in Virginia have been promised just under $1 billion in state funding to substantially grow their computer science programs.

By Lindsay McLin

For Immediate Release: November 7, 2019
Contacts: Office of the Governor: Alena Yarmosky, Alena.Yarmosky@governor.virginia.gov

Governor Northam Announces Plans to Graduate 31,000 in Computer Science, Boosting Tech Talent Pipeline

Agreements with 11 Virginia universities resulted from HQ2 bid

PETERSBURG—Governor Ralph Northam today announced that Virginia will invest in the Commonwealth’s tech talent pipeline to create 31,000 new computer science graduates over 20 years, under agreements he signed with 11 universities.

The Tech Talent Investment Program will benefit students and tech employers in every corner of the Commonwealth. It grew out of Virginia’s proposal to Amazon, which will locate its second headquarters in Northern Virginia.

The program is a performance-based initiative designed to create at least 25,000 new bachelor’s and master’s degrees in computer science and related fields over the next 20 years. The agreements with the 11 universities will create 31,000 new degrees in these fields, exceeding the legislative goal. Funding for the Tech Talent Investment Program was provided in the Virginia budget approved earlier this year.
Workforce Credential Grant

- Noncredit workforce training programs to prepare an individual to obtain an industry-recognized certification or occupational license in high-demand fields (as identified by Virginia Board for Workforce Development)

- Institutions receive one-third of the program costs (up to $1,500) once a student successfully completes the program and another one-third of the cost (up to $1,500) when the student receives the workforce credential
Results after three years:

• Majority of students are male adults with an average age of 35 years

• Completion rate: 92%
• Credential rate: 73%

• Earnings increased in almost all occupational fields. Individuals earning less than $20,000 prior to enrollment had the highest increase in earnings.

• Program currently funded at $13.5 million (through VCCS)
## Workforce Credential Grant

### Top 10 Credentials with the Greatest Number Attained in FY 2018

<table>
<thead>
<tr>
<th>Training Program/Credential Type</th>
<th>Enroll</th>
<th>Complete Training</th>
<th>Complete Credential</th>
<th>Average Cost to Student*</th>
<th>Total State Payments for Training and Credential Completion*</th>
<th>Average State Payments per Credential Attained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Driver's License Class A</td>
<td>1,098</td>
<td>1,014</td>
<td>873</td>
<td>$1,448</td>
<td>$2,512,800</td>
<td>$2,878</td>
</tr>
<tr>
<td>Welding (flux, gas and general)</td>
<td>397</td>
<td>378</td>
<td>298</td>
<td>$672</td>
<td>$429,342</td>
<td>$1,441</td>
</tr>
<tr>
<td>Highway Construction</td>
<td>277</td>
<td>274</td>
<td>238</td>
<td>$275</td>
<td>$128,825</td>
<td>$541</td>
</tr>
<tr>
<td>Medical Assistant</td>
<td>224</td>
<td>205</td>
<td>170</td>
<td>$1,030</td>
<td>$367,001</td>
<td>$2,159</td>
</tr>
<tr>
<td>Phlebotomy Technician</td>
<td>196</td>
<td>169</td>
<td>114</td>
<td>$727</td>
<td>$191,997</td>
<td>$1,684</td>
</tr>
<tr>
<td>Certified Nurse Aide</td>
<td>205</td>
<td>189</td>
<td>109</td>
<td>$662</td>
<td>$170,968</td>
<td>$1,569</td>
</tr>
<tr>
<td>Power Line Worker</td>
<td>87</td>
<td>85</td>
<td>79</td>
<td>$1,469</td>
<td>$224,500</td>
<td>$2,842</td>
</tr>
<tr>
<td>Welding</td>
<td>68</td>
<td>65</td>
<td>65</td>
<td>$1,065</td>
<td>$137,550</td>
<td>$2,116</td>
</tr>
<tr>
<td>Core - Introductory Craft Skills</td>
<td>79</td>
<td>74</td>
<td>60</td>
<td>$340</td>
<td>$40,778</td>
<td>$680</td>
</tr>
<tr>
<td>Electrical and electrical systems</td>
<td>62</td>
<td>57</td>
<td>54</td>
<td>$560</td>
<td>$48,136</td>
<td>$891</td>
</tr>
<tr>
<td>Machining</td>
<td>75</td>
<td>59</td>
<td>50</td>
<td>$494</td>
<td>$39,740</td>
<td>$795</td>
</tr>
</tbody>
</table>

*Average costs per student are based on the charges of 1/3 of the cost of the program if the student completes training.

Total state payments do not equal the allocation for FY 2018 of $7.5 million due to how funds are obligated when a student enrolls. Payments are made at the time the training or credential completion are submitted to SCHEV.
What We’d Like to Do
Workforce Alignment Project

• Entering new stage for strategic plan

• Growing interest in SCHEV’s contributions to policy and budget planning

• Questions on value of degrees persist
  • Different audiences currently getting information from different sources.
Workforce Alignment Project

• Most reviews look at demand for jobs and supplies of workers
  • Demand: Projected growth + retirements
  • Supply: Current workforce + award production
• Fewer resources that identify degree shortages (demand – supply) and interpret results
  • Need to talk to actual employers
  • Improve the SOC / CIP crosswalk
• What decisions do those results inform?
  • Program approval
  • Performance funding
  • Curriculum development
Workforce Alignment Project

- Map current sources to assess supply, demand and shortages by various agencies.

- Identify practices in other states to support better coordination of supply, demand and workforce shortages.

- Recommend resources to inform policy decisions.
  - Entity (advisory group? Agency?) needs to be consistent voice for Commonwealth, and respond to different questions from employers, legislators, administrators, students and faculty.
Workforce Alignment Project

**Timeline**

- October-December 2019: Preliminary discussions with state agencies regarding current availability of data, initial meetings with three to five states and mapping of entities that produce supply, demand and workforce shortage data. Update provided at January Council meeting.
- January-March 2020: Assess stakeholder priorities and resource needs. Update provided at March Council meeting.
- May-June: Modify report based on input from Council members and others.
- July 2020: Present final report to Council and transmit to community, including the Governor’s Chief Workforce Development Officer.
Workforce Alignment Project

Let’s talk about it!

1) What does your infrastructure to identify shortages of degrees look like?

2) What decisions are informed by those results?

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Thanks!