

Workforce Opportunity

IN WEST MICHIGAN

believe
2 BECOME™

CONNECTING A QUALIFIED WORKFORCE TO HIGH-GROWTH OPPORTUNITIES



THE ECONOMY IN WEST MICHIGAN IS **STRONG:** RESOURCES, EMPLOYMENT, GROWTH.

But we face two big challenges:

- 1. WORKPLACE LABOR SHORTAGES IN KEY SECTORS**
- 2. INVISIBILITY OF CAREERS AND PREPARATION PATHWAYS TO PROSPECTIVE WORKERS**

Building a bridge to solve both challenges is at the heart of West Michigan's economic future.



Doug DeVos
AMWAY CORPORATION

"If West Michigan is to remain competitive economically, we have to cultivate an environment where employers are collaborating to close the workforce labor gap and include all the talent in the mix. We need to see results."



Fred Keller
CASCADE ENGINEERING

"If we want West Michigan to prosper, we must all work together to make sure that all residents have a bridge to employment, independence, and growth."

THE WORLD HAS CHANGED, CREATING A BIG GAP BETWEEN ASPIRATIONS AND OPPORTUNITIES.

PRE-2000	TODAY
WEST MICHIGAN STUDENTS	
Helpful career counseling in schools	Minimal or no career counseling in schools
Predictable career options	Constantly changing career options
Clear career pathways	Invisible career pathways
Robust apprenticeship opportunities	Rare apprenticeship opportunities
Ample opportunities without post-secondary education	Fewer opportunities without post-secondary education
WEST MICHIGAN EMPLOYERS	
Ample workers for available jobs	Scarce workers for available jobs
Applicants with good preparation and skills	Applicants with insufficient preparation and skills
Limited need to promote career opportunities	Increasing need to promote career opportunities
Manageable competition for workers	Increasing competition for workers
Relatively low cost of employment	Drastically increasing cost of employment

A new economy,
a new kind of worker,
a new opportunity.



West Michigan employers are calling for a new kind of worker. This creates a new kind of opportunity. But for many young people seeking a place in the new economy, the real opportunities are invisible. And for employers seeking qualified workers for a growing workforce, applicants are few and often lacking in skills.

“TEN YEARS AGO THE TROUBLE WAS FINDING ENOUGH WORK TO KEEP ALL EMPLOYEES BUSY...”



Kevin Stotts
TALENT 2025

“The economy has continued to expand since the recession at the end of the last decade, and this growth has been especially prominent in West Michigan. Yet with lower unemployment also comes a smaller pool of talent for employers to draw from, and it becomes vital for employers in the region to quantify and understand their current and future talent needs.”¹



Amber Arellano
**THE EDUCATION
TRUST—MIDWEST**

“High schools are treating graduation as the end goal for too many low-income students and students of color, rather than ensuring that all students have access to learning opportunities that will prepare them for college and the workplace. These results create a real urgency to build strong high schools that meet students’ and parents’ future goals.”²



Mike VanGessel
**ROCKFORD
CONSTRUCTION**

“The labor market has changed dramatically in the last few years. We have gone from a high supply of skilled workers to a shortage of skilled labor that can affect projects in multiple ways. Everyone is feeling it. We are competing for the top talent, so it becomes one more dynamic that has to be carefully managed.”



Dave Murray
MICHIGAN TALENT INVESTMENT AGENCY

“There’s a talent gap in Michigan right now. Michigan’s comeback is real. The biggest threat to extending that comeback is not being able to focus on getting people into training programs, as well as understanding which skills employers need.”³



Bill Pink
GRAND RAPIDS
COMMUNITY COLLEGE

“West Michigan’s health care employers have been struggling to fill positions ranging from entry-level to highly skilled jobs. Community-wide collaboration will be vital in addressing these talent needs.”⁴



Jacob Maas
WEST MICHIGAN WORKS!

“Our employers are crying for talent. And while talent has a broad definition, the skills needed are specific. People need to see those specific pathways to work and skill up.”⁵



Tracy DiSanto
DTE ENERGY AND MICHIGAN ENERGY WORKFORCE
DEVELOPMENT CONSORTIUM

“There is incredible demand for skilled trade professionals in Michigan’s energy industry. Yet many students aren’t exposed to the high-potential, rewarding career options our industry offers.”⁶



Doug Rothwell
MICHIGAN ECONOMIC
DEVELOPMENT
CORPORATION

“Michigan residents are the 10th oldest in the nation. Coupled with a declining population of K-12 students, a low percentage of 25- to 34-year-olds and, continuing low educational attainment, we face a significant talent gap over the long term. The future success of each and every Michigan worker is dependent upon our efforts to compete, invest, and grow in ways that make sense.”⁸



Michigan Nurse Mapping Project
MICHIGAN PUBLIC HEALTH
INSTITUTE TRUST—
MIDWEST

“Like much of the country, Michigan is experiencing a shortage of health care professionals, and the nursing shortage is expected to continue to 2030. Nursing shortages are expected to become more severe as Michigan’s aging population requires more health care as nurses from the Baby Boomer generation retire.”⁷

... TODAY, IT’S
JUST THE
OPPOSITE.
THE WORK IS
OUT THERE,
BUT THE
WORKERS
ARE NOT.”⁹

—Alex Jokich
 WWMT News Channel 3

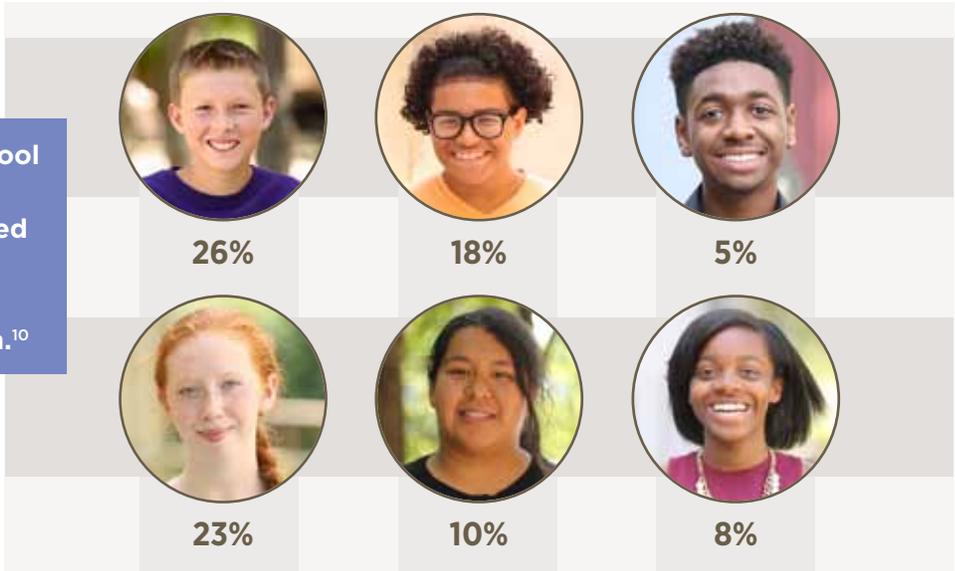
IT IS NOT POSSIBLE TO PREPARE FOR OPPORTUNITIES THAT ARE INVISIBLE.

Most students do not have a strong understanding of the local labor economy. If you ask what they want to be when they grow up, often it is a career they see in popular culture: teachers, doctors, police officers, firefighters, rock stars, and football players. The jobs they grew up seeing on TV do not reflect reality. The jobs their parents held may no longer exist. First jobs are difficult to find, and career information is insufficient.

Most of those without direct employer connections or financial advantages are also without a path forward to employment. Many young people do not know what to do. At the same time, West Michigan employers cannot identify and attract workers for increasingly technical jobs. Local employers offering full-time jobs find applicants lacking, both in number and in preparation.

A study of 2012 high school graduates who were not enrolled in college showed how few would find full-time employment by October after graduation.¹⁰

DATA CATEGORIZED BY RACE AND GENDER



Projected workforce data foretells increasing shortages in higher-skill jobs, causing serious constraints for employers in a growing economy.

A 2013 report¹¹ shows that most West Michigan jobs can be classified as “low skill.”

LOW-SKILL	MID-SKILL	HIGH-SKILL
61.3%	14.9%	23.8%
Tourism Retail Assembly	Machinist CNC operator Data analyst CAD designer	Product development Process engineering Finance and accounting Professional services

The same report, however, projects that most employment growth by 2025 will be for mid-skill and high-skill careers.

LOW-SKILL	MID-SKILL	HIGH-SKILL
1.3%	14.6%	15.1%

2013 2025

IT IS POSSIBLE TO PREPARE FOR OPPORTUNITIES THAT ARE VISIBLE.

The Brookings Institution recently published a report showing that while it took 25 jobs to generate \$1 million of output in 1980, today it requires only five jobs to accomplish that goal.

Not surprisingly, capital investment is far outpacing job creation. Virtually all new jobs require advanced skills and continuing education. These higher-paying jobs must be made visible to young people and their families.

Providing career information and preparation will help graduates looking for jobs as well as employers seeking qualified workers.



Superintendent, Teresa Weatherall Neal, M.Ed.
GRAND RAPIDS PUBLIC SCHOOLS

“The skills gap presents a significant challenge for the state. One of the things that we find is that in high school there’s not a lot of career counseling. For young people entering the workforce, it’s just hard to figure out what the opportunities are out there. Helping parents understand the opportunities they can introduce to their kids is really important.”



Birgit Klohs
THE RIGHT PLACE

“The successful communities of tomorrow are working on solving the talent shortage today. Efforts to attract students and retrain a diverse workforce for high-demand careers in manufacturing, IT, and the skilled trades are critical to the continued economic growth and competitiveness of the West Michigan region.”



The Right Place underscores the problematic gap between employers and potential workers in its report: *7 Trends to Watch in the West Michigan Economy*.

“While the Grand Rapids region as a whole has a very low unemployment rate, pockets within the community are still challenged by high unemployment rates and have large populations of workers that have disengaged from the workforce.

This pain is felt both in rural and certain urban neighborhoods. The opportunity is here for the community to work together and bring... excluded workers into the West Michigan workforce, filling positions that the region needs to continue its growth.”

Clearly, this is a gap with big potential consequences.



AS UNEMPLOYMENT RATES REMAIN LOW AND THE EMPLOYER REQUIREMENTS INCREASE...

As TALENT 2025 explains in its February 2017 workforce development report, the benefits of building a bridge to help today's students become tomorrow's workers are grounded in good economics.

"In West Michigan, the current rate of unemployment is below 4 percent, but that can be a deceptive statistic. While this lower unemployment rate is significantly lower than the recent peak of 14 percent in 2009, it masks sobering realities that impact the overall strength and quality of our workforce. Only 82 percent of adults ages 25-54 are employed or looking for work in our area. In order to raise this participation rate to a leading level among comparable regions, we would need to move 22,000 individuals into our labor force. More alarmingly than these employment numbers, 38 percent of the households in West Michigan earn less than the Asset Limited, Income Constrained, Employed (ALICE) survival budget threshold.

The income in the Grand Rapids-Muskegon-Holland Combined Statistical Area could increase by \$3.7 billion by aligning employment and educational levels with the Hartford, Connecticut CSA. That translates to an increase of approximately \$1,700 per person, generating \$250 million more per year in tax revenues."¹²

—2017 Workforce Development Report
TALENT 2025



Rick Baker
GRAND RAPIDS CHAMBER OF COMMERCE

"In 21st century Michigan, education and business must work together to keep pace with the world we serve today. Developing partnerships can help young people and their families enter the workforce as valuable employees with essential skills... and help grow the economy for all."



CASTING A MORE INCLUSIVE WORKFORCE NET WILL GENERATE BROAD ECONOMIC GAINS.

Two robust studies call for critical actions and next steps.

A report from the W.E. Upjohn Institute for Employment Research called for **critical actions**:

- Improve the flow of information from businesses to educators and job seekers, including skills required for high- and mid-skill positions.
- Facilitate discussions between businesses and educational institutions about retraining.
- Form partnerships between businesses and educators to share information about work.

A report from TALENT 2025 identified **next steps** to narrow the gap between school completion and career readiness:

- Develop partnerships between businesses and educators to help students and families better understand future career opportunities.
- Evaluate community investments to improve the opportunity ecosystem in West Michigan.
- Change public policy to support a new education system.

Individual organizations are innovating strong solutions.

GRCC wins \$6 million federal grant to work with community partners to build a pipeline of skilled health care workers. Health care is the fastest-growing major occupation group in West Michigan, with 23 percent growth projected to add 55,000 jobs by 2022.

INNOVATION HIGH SCHOOLS prepare students for careers in business and entrepreneurship, modern engineering, design and construction, health science and technology, project-centered team-based environments, and more... via local school districts and ISDs.

LAUNCH U will offer a tuition-free, early college program of Kent ISD and Grand Rapids Community College that allows high school students to build 21st century workforce skills by earning a specialized associate degree or receiving a skilled craft certification.



FUTURE PREP'd provides Ottawa Area ISD middle and high school students with workplace learning opportunities in partnership with participating businesses.

Students gain work experience and earn academic credits, and may graduate from high school with an associate degree.

LINC UP, a neighborhood improvement and housing corporation, partners with GRCC to provide construction students with paid experience building affordable housing. The partnership gives local contractors a staffing source, keeps housing costs affordable, and gives students a viable career path to the future.

GOING PRO, a recently announced State of Michigan website, will inform students, parents, and teachers where job openings are forecast in Michigan over the next decade, along with average pay rates.

IT'S TIME TO IMAGINE MORE.

In several focus groups held during 2016, employment and business experts in West Michigan agreed that a lasting, optimal solution to bridge the school-to-career gap should be:

COLLABORATIVE

including Kent, Muskegon, and Ottawa counties

STRATEGIC

prioritizing high-demand jobs and high-potential workers

SCALABLE and SUSTAINABLE

utilizing advanced information technology

ACCESSIBLE

to all prospective workers

INFORMED

by all the key stakeholders as shown below



Learn more at believe2become.org/more





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