

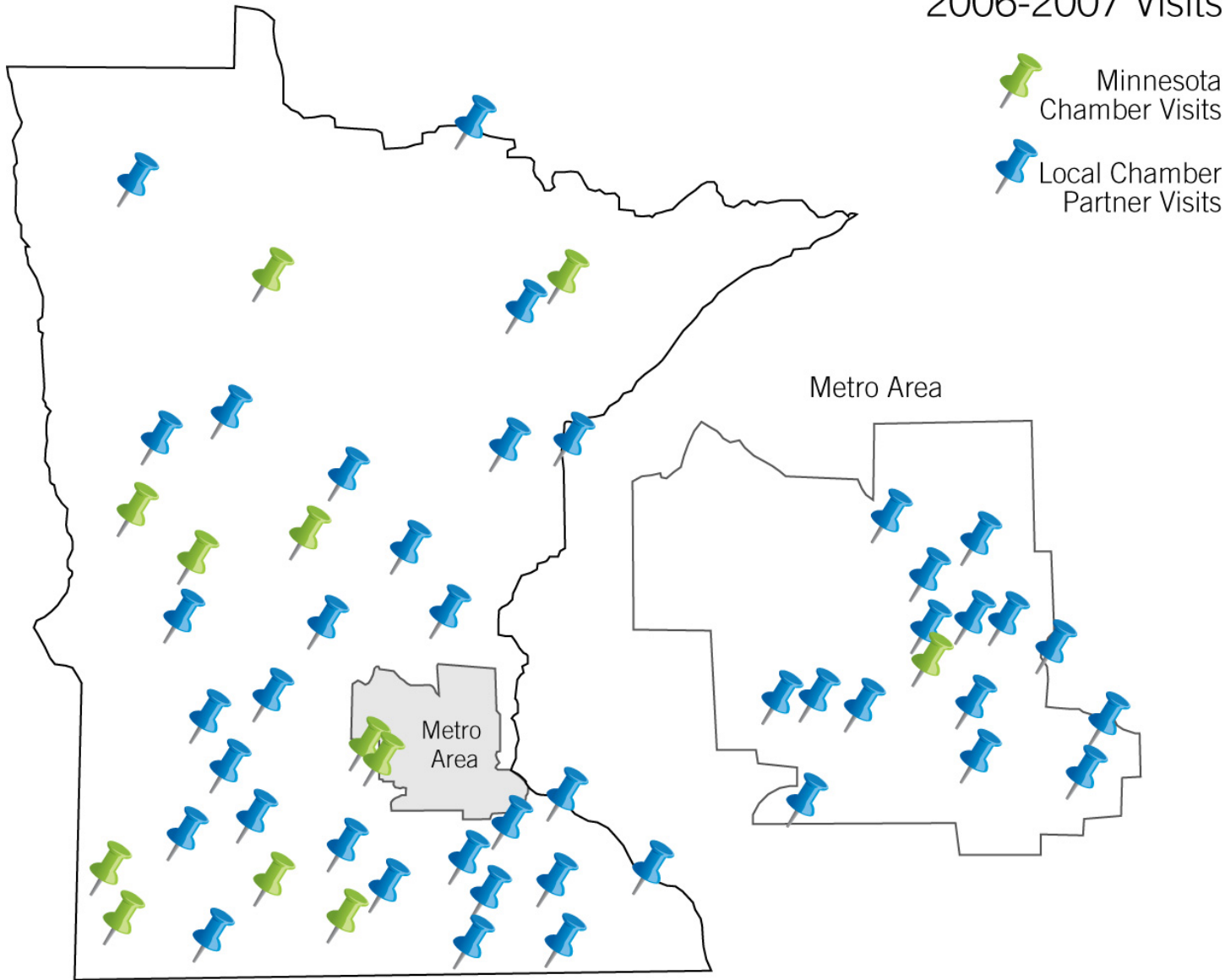
2007 Business Retention Visits: Workforce Issues

March 2008

“Eyes & Ears” on MN’s Economy

- 795 one-on-one business visits
- 43 local chamber partners
- Statewide – 52 communities
- Not a random sample

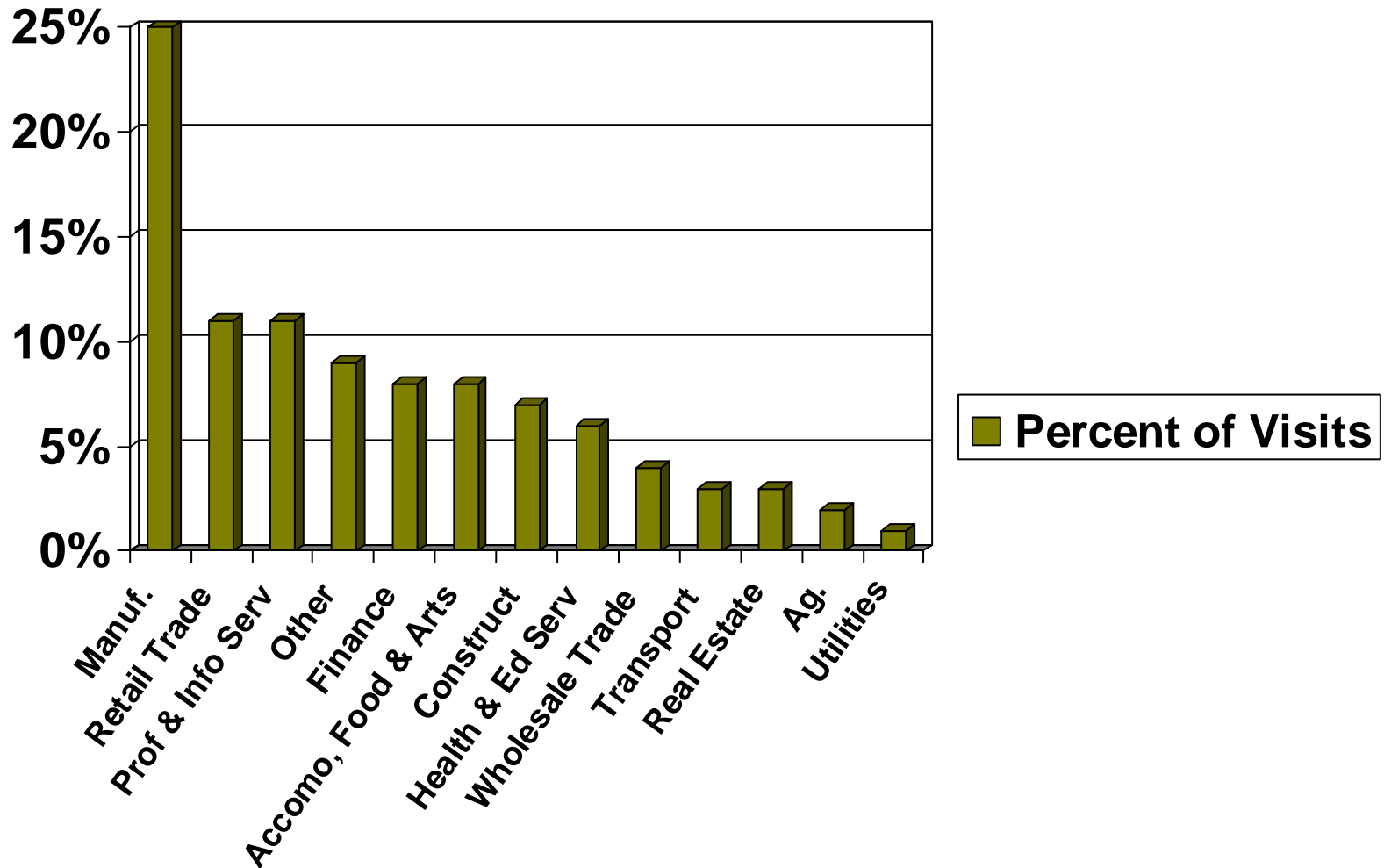
2006-2007 Visits



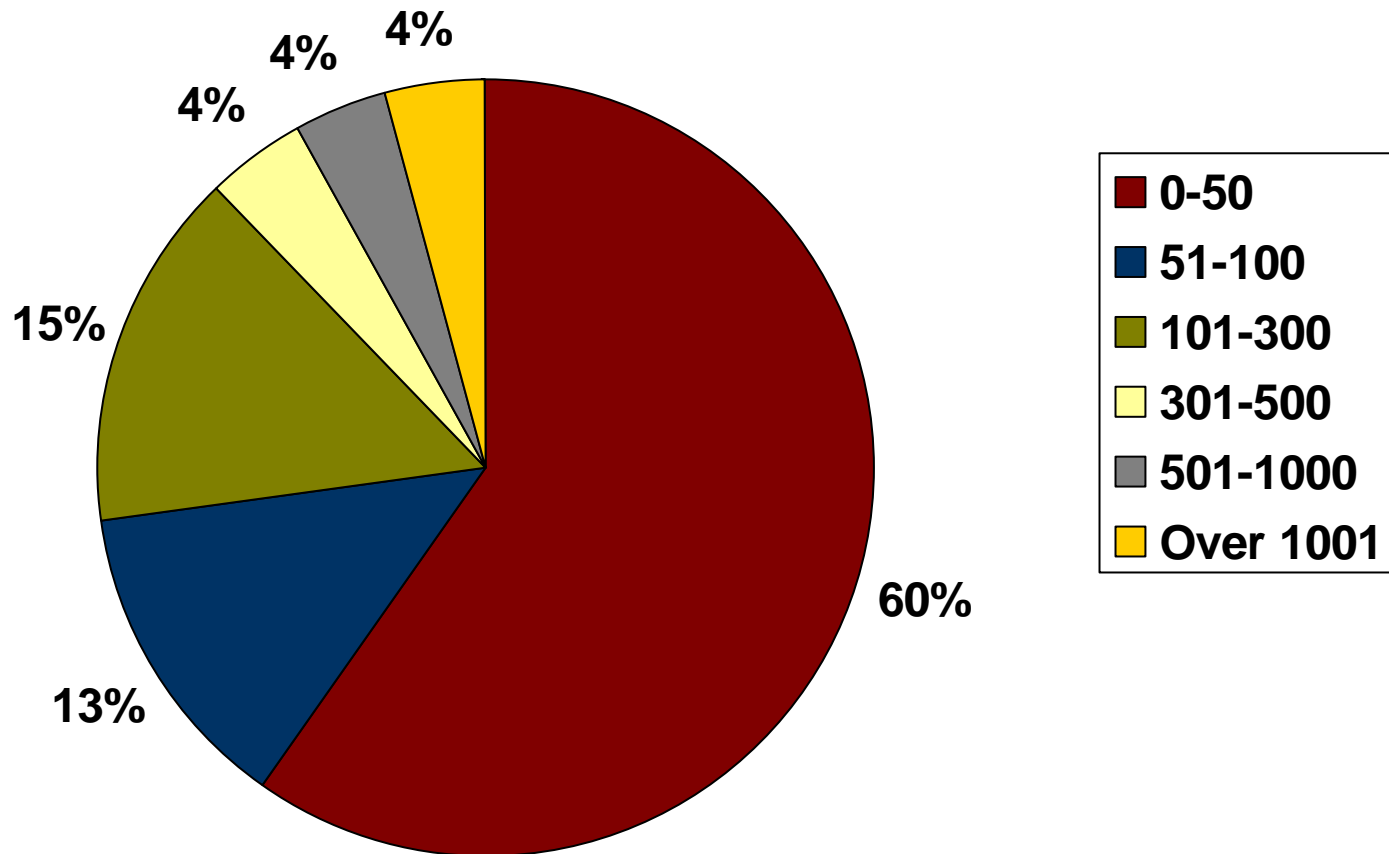
Who We Visited

- Each partner decides
- MN Chamber focus: Leading employers
- Coordinating with DEED
- More revisits than ever (22%)

Types of Businesses Visited



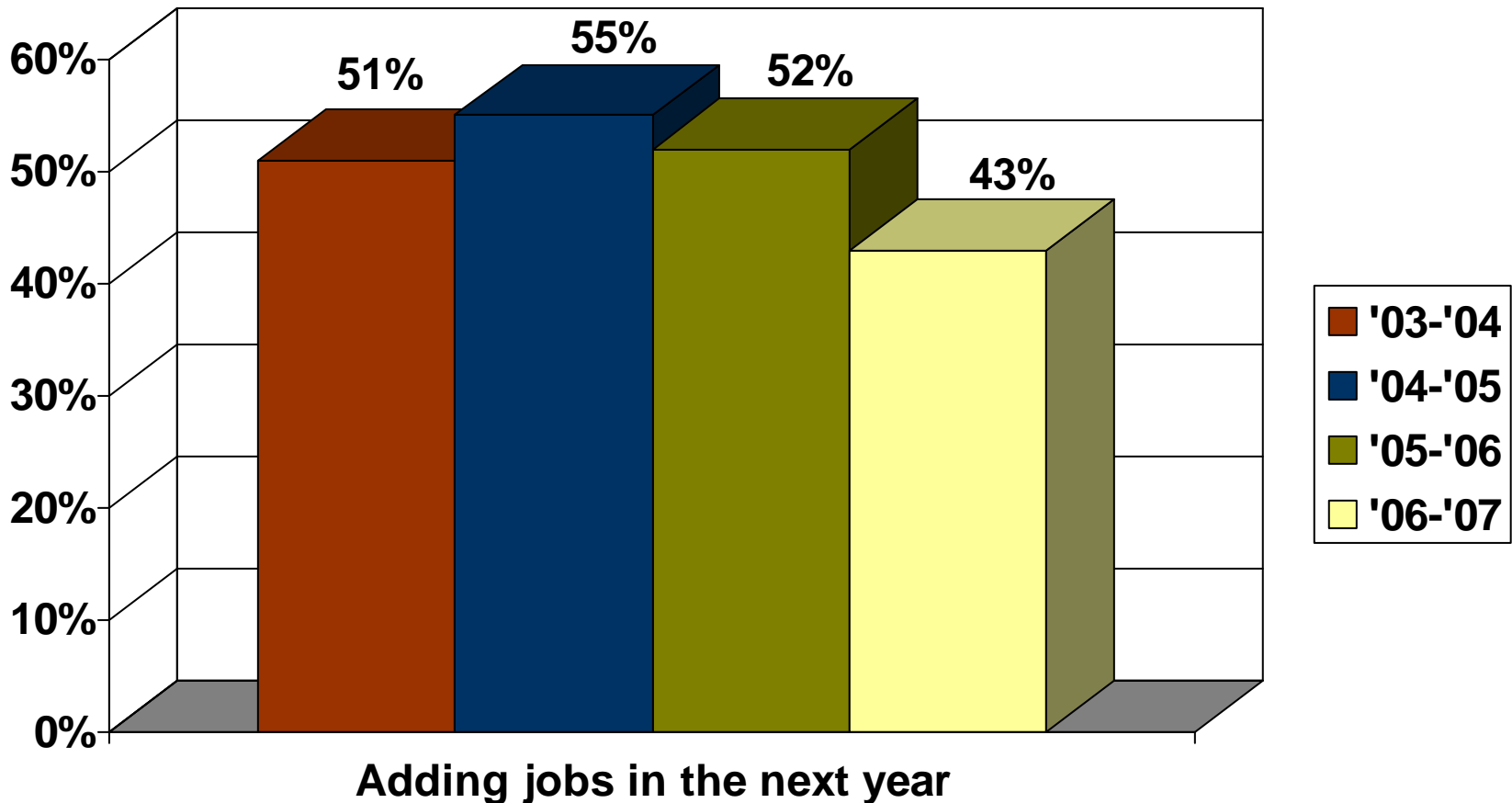
Company Size



Lesson Learned

- Economy weakening...especially Twin Cities
- State policies...some holding us back
- Business assistance...more than ever

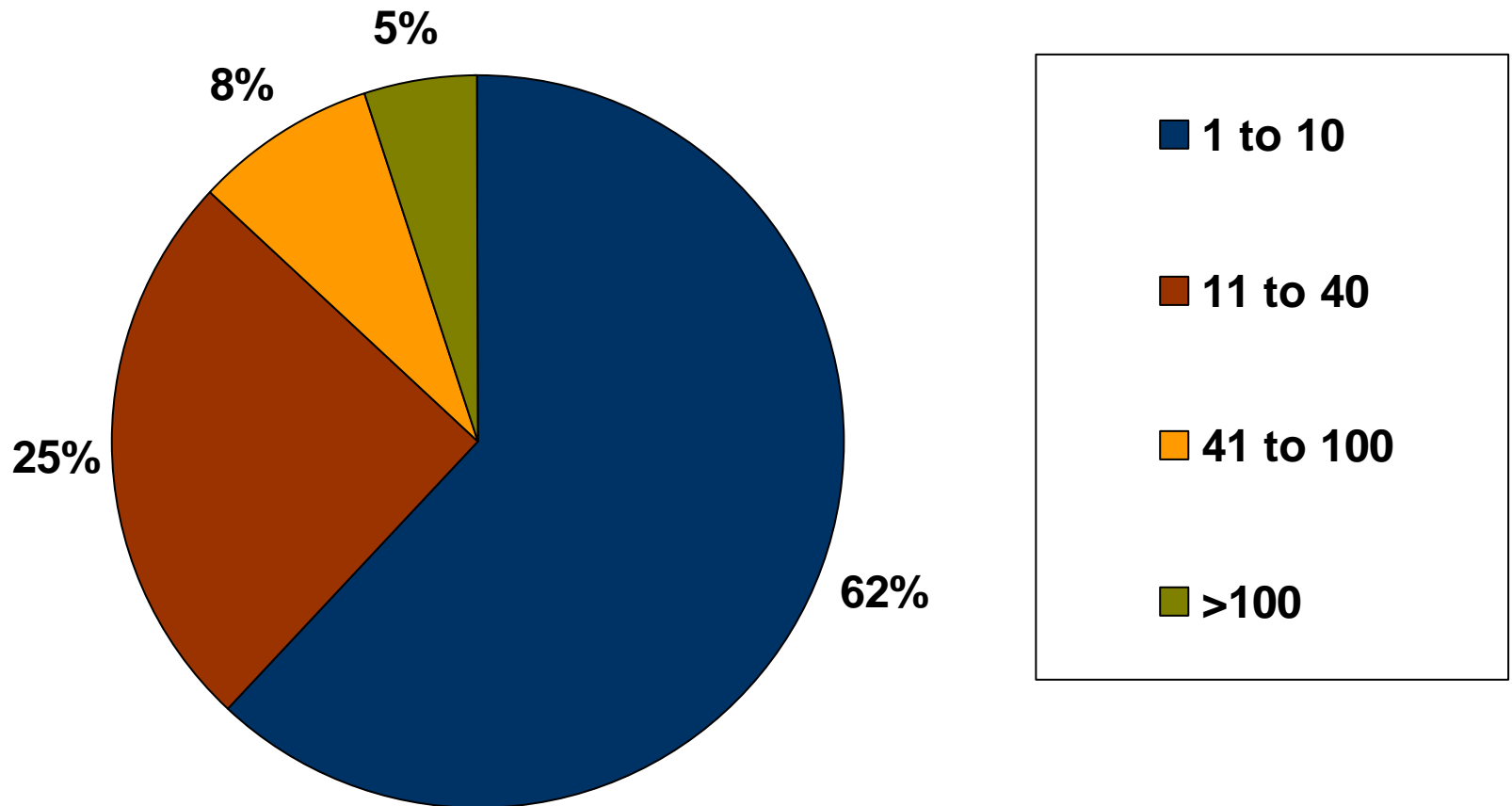
'04-'07 Employment Growth



Responsive & Flexible...MN Business:

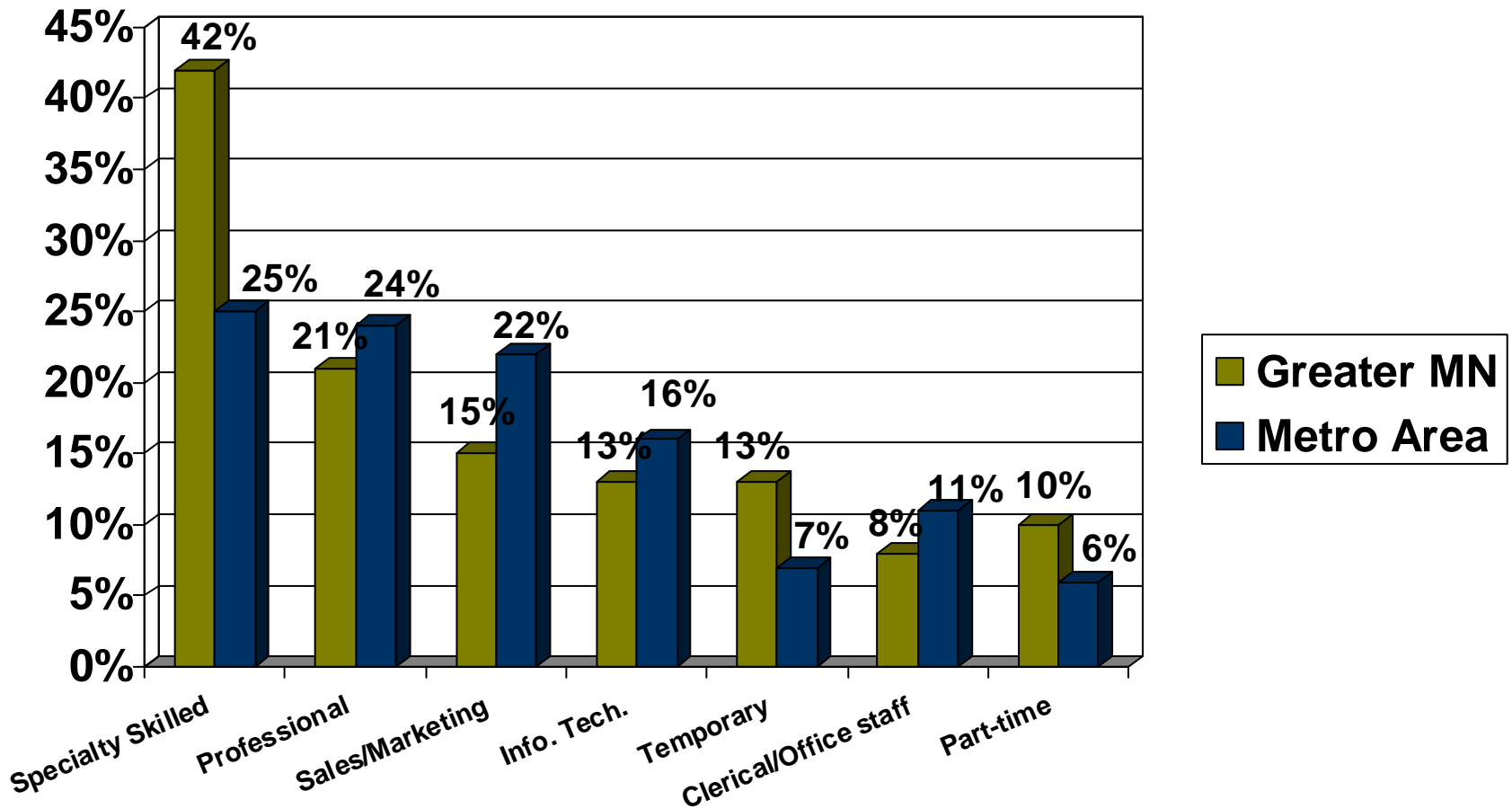
- Innovating: even in a weakening economy
 - 2004: 66%
 - 2006: 69%
 - 2007: 66%
- “Products” more complicated, more specialized
 - More assemblies...fewer “parts”
 - More “made to order”...less repetition
 - More targeted services...less mass appeal

Job Growth: Slower & Small Steps



Employees Most Difficult to Find (Last 2 Yrs)

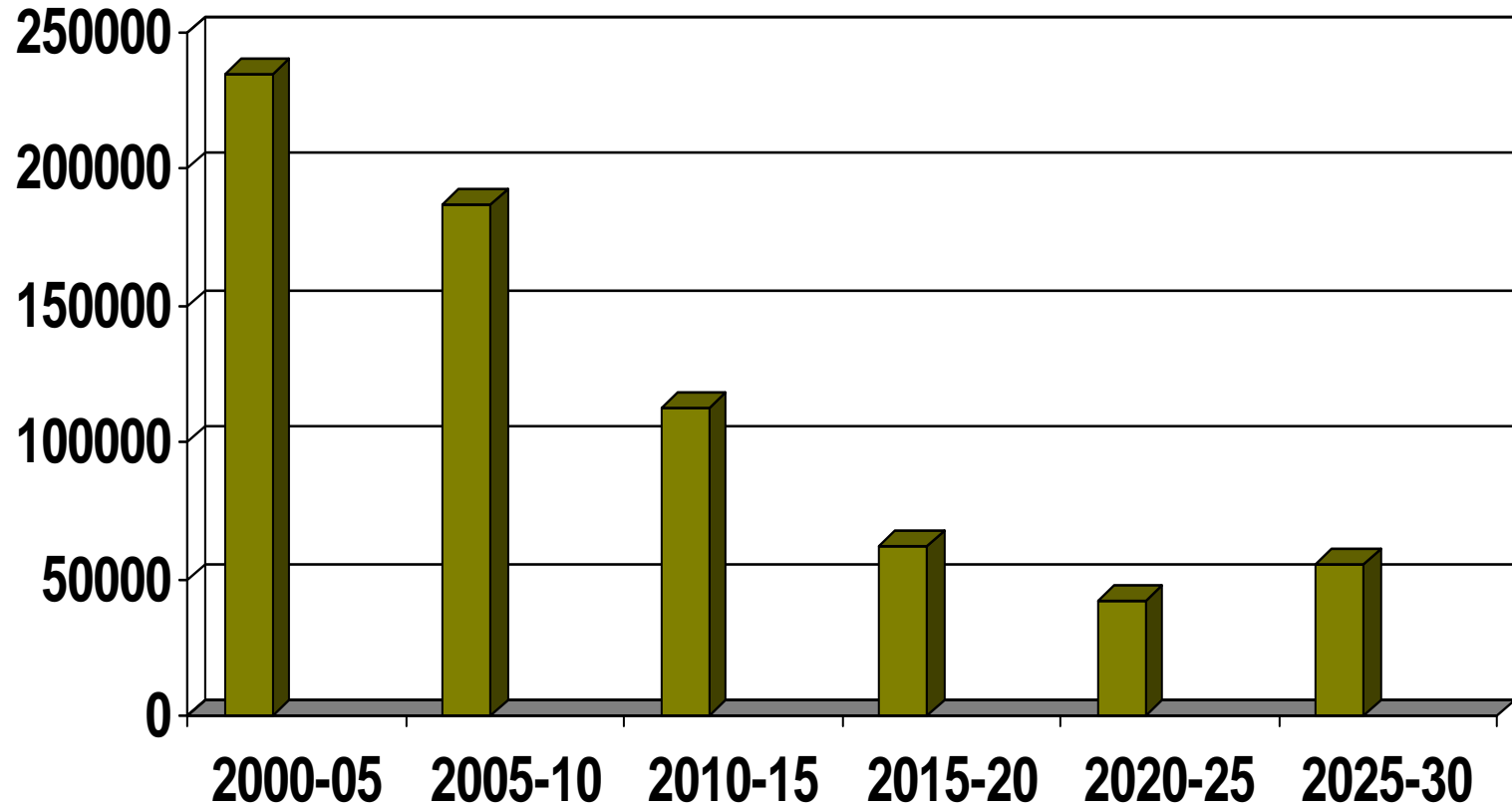
Respondents saying they have difficulty filling vacancies



Worker Shortage

- Aging population
- Likely workers, not ready for work
- Regional issues:
 - Getting to & from work: Twin Cities
 - No place to live: SW MN

MN Labor Force Growth: 2000-30



Policy Changes (In priority order)

- Work force...right skills, more workers
- Health care...quality & cost control
- State taxes...hold the line
- Transportation...Transit & highways
- Workers compensation...See health care

Workforce Programs: Right Skills

- Responsive & Flexible...like MN business
- Build “foundation” skills, e.g. versatility
- Teaching a profession?
 - Teach basics...quickly
 - Add full time work...quickly
 - Then, work & study
- “After employment” training

LOOKING FOR QUALITY Entry Level WORKERS?

Hennepin Technical College (HTC) has transformed the model for basic training in manufacturing starting with a 12-week basic manufacturing skills training, moving students into a three – six months of structured on the job training with a partner company, followed by advanced training.

To successfully run their new fast-track program, M-Powered HTC has partnered with HIRED, a nonprofit organization to recruit and screen potential candidates for the program. More than 20 business leaders from local metal forming companies sit on the program's advisory council. Our graduates are work-ready and available now.

Graduates from this training program have met the following requirements:

Successfully completed required **safety training**...

Have completed required **Hazardous Communication** training...

Have successfully met the **rigorous attendance policy**...

Have a working knowledge of **basic measuring and inspection tools**...

Have a working knowledge of **basic quality control**...

Can read **basic prints** and understand basic **dimensioning tolerances**.

Can recognize and describe the primary function of **metalforming equipment**.

Can identify a **router or job-process sheet**...

Can understand appropriate **codes of conduct** in the workplace...

Have **worked cooperatively** with others in training

More Workers...

- Job growth: All except housing-related
- Mostly small steps, i.e. 1-10 employees
- 68% say, “Openings are difficult to fill.”

Workforce Programs: More Workers

- New Americans
- Racial/ethnic minorities
- Statewide emphasis:
 - Thousands of businesses, mostly small;
 - Dispersed geographically

Business' Expectations: Workforce Programs

- Be more flexible & responsive to workers & business
- Increase the work readiness of new Americans & racial/ethnic minorities

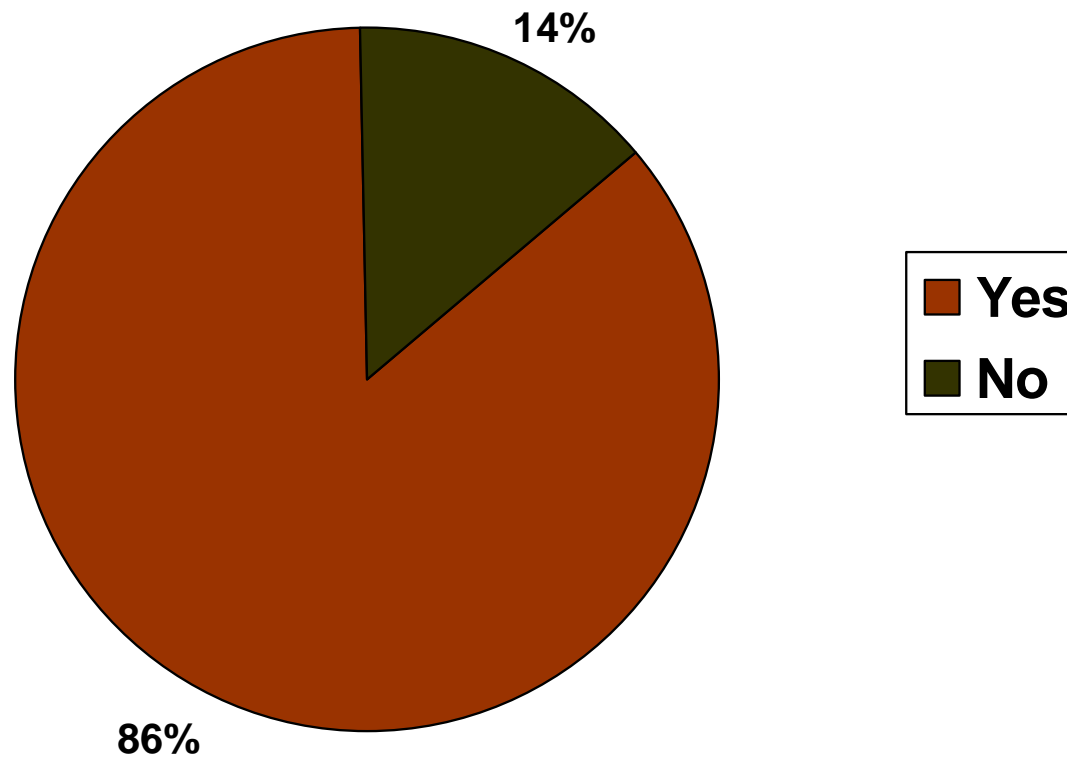
GROW
MINNESOTA!

BUILDING OUR ECONOMY BY BUILDING BUSINESS

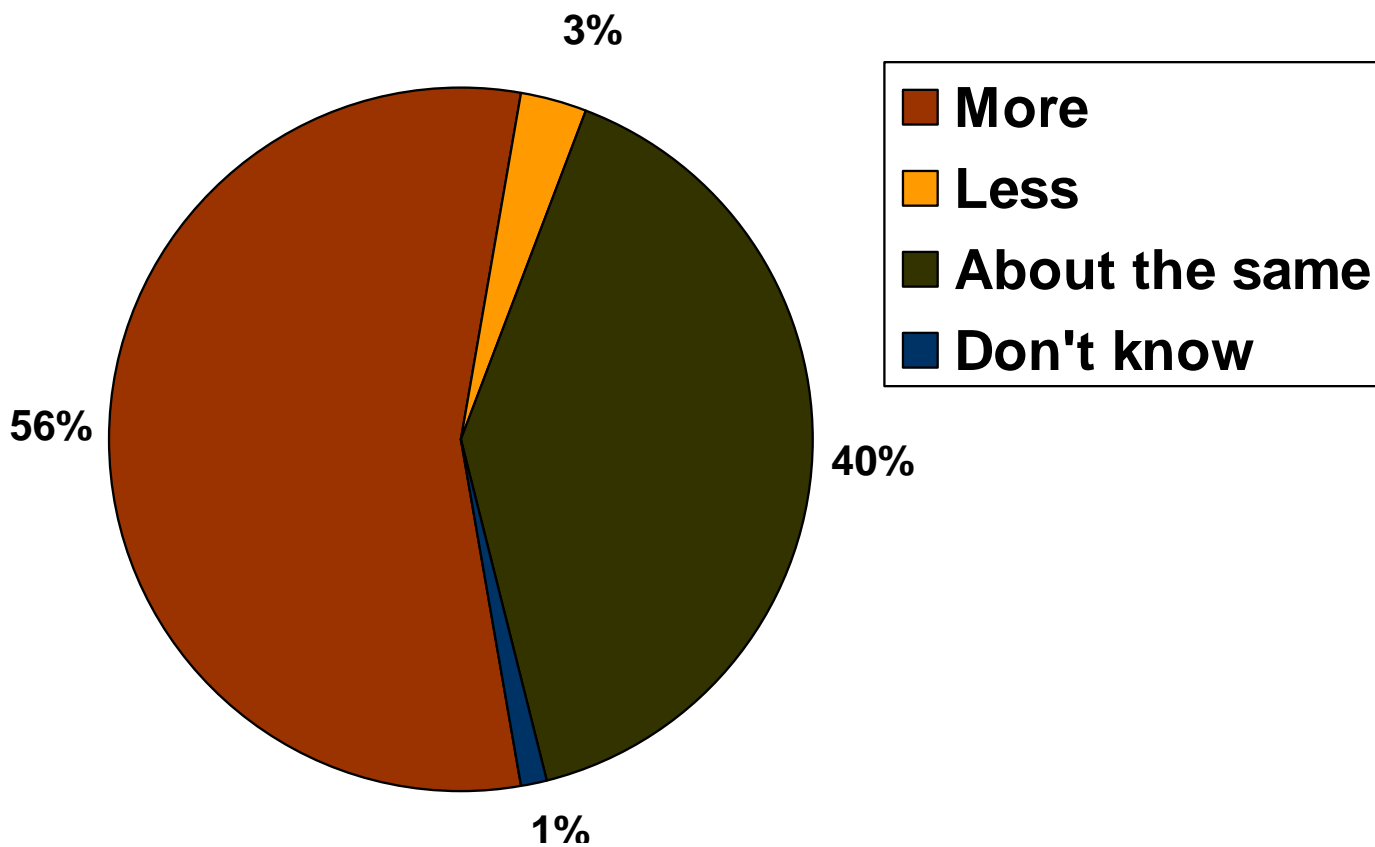
2007 Member Poll

- Sent questionnaire to all members
- 485 responses — 27% response rate
- Responders match total Chamber membership in size, geography, type of business

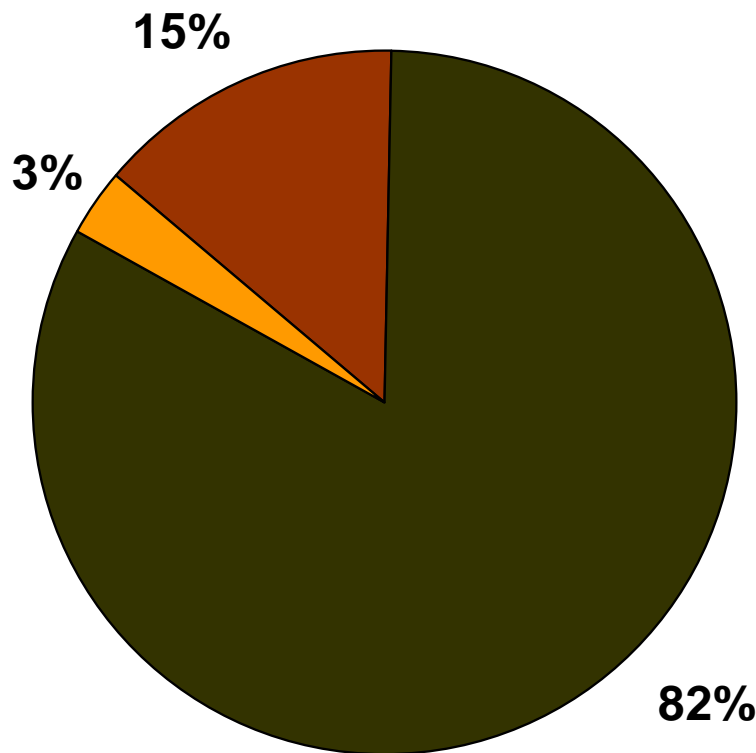
Time/Money Spent Training



More or Less Than Before



Why They Spend on Training



-  On skills that should have been taught in high school or post-secondary school.
-  On skills that are specialized for my company/industry.
-  Don't know

Where Skills Should Have Been Taught

