Workforce Training in North Dakota

A Status Report to the
Legislative Management Interim Workforce Committee

July 20, 2010

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"Remaining competitive in a global economy increasingly requires workers who are more productive and resilient than in earlier times; this means they must be learners for life, capable of returning to higher education to retool for changes occurring in the knowledge base and skill requirements."

National Center for Public Policy and Higher Education
Engaging Higher Education in Societal Challenges of the 21st Century

TrainND Regions
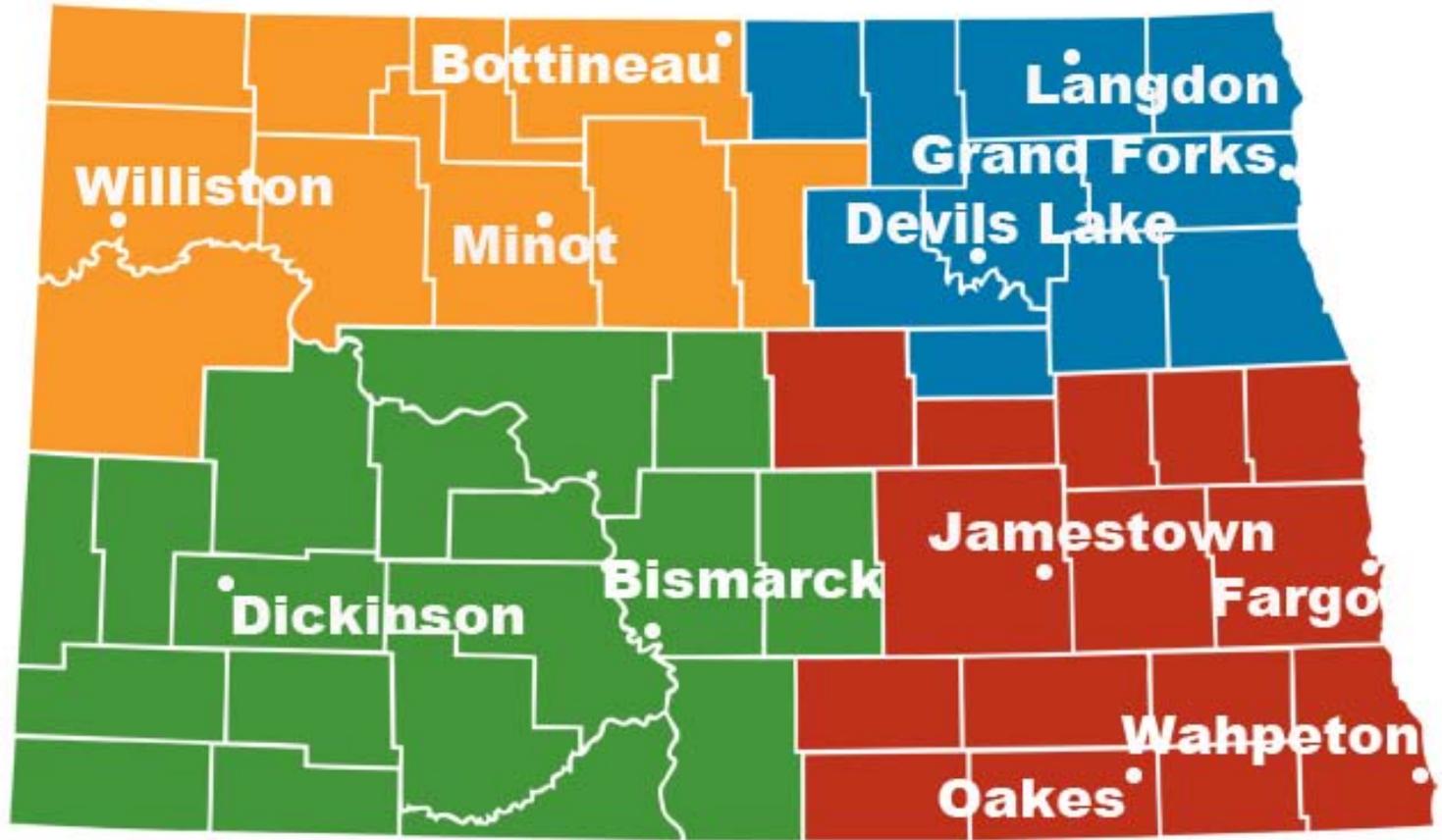
Goal for Workforce Training

The four workforce training regions were created to "serve the workforce needs of business and industry and to serve as a broker in arranging the delivery of training."

House Bill 1443 (1999)

Senate Bill 2019

Before July 1, 2010, the state board of higher education shall conduct a study of the status of the training activities provided by the four institutions of higher education assigned primary responsibility for workforce training in the state, including:

- Effectiveness in meeting training needs of business and industry in the respective regions;
- Responsiveness, results achieved, financial performance, and other performance measures; and
- Review of an appropriate funding mechanism.

Three Step Approach

- Surveyed stakeholders
  - Interim Workforce Committee and other legislators
  - TrainND advisory board members
  - Other key business leaders
  - Other agencies (CTE, Department of Commerce, Job Service)
  - College presidents
  - TrainND

- Reviewed and compiled performance metrics and prepared a brief summary report

- Held face-to-face Workforce Training Forum on June 9

Survey Questions

- Are the four regions accomplishing the goal as stated in 1999 enacting legislation (HB 1443)?

- What are the strengths of TrainND?

- What unmet needs and additional opportunities exist for TrainND?

- What should TrainND consider doing differently?

- Looking five years into the future what changes would you suggest for TrainND?

Effectiveness in Meeting Needs

- 25 participants responded to the survey

- 100% of respondents agreed that the four regions are accomplishing the goals stated in HB 1443 (1999)
  - Increased number of businesses and employees served
  - High satisfaction levels and positive results
  - Repeat customers
  - Continuous improvement
  - "They have spent time connecting with business, assessing training needs and sharing what they have to offer"
  - "Companies would simply not participate at the level that they do if the goals were not being met"

Effectiveness in Meeting Needs
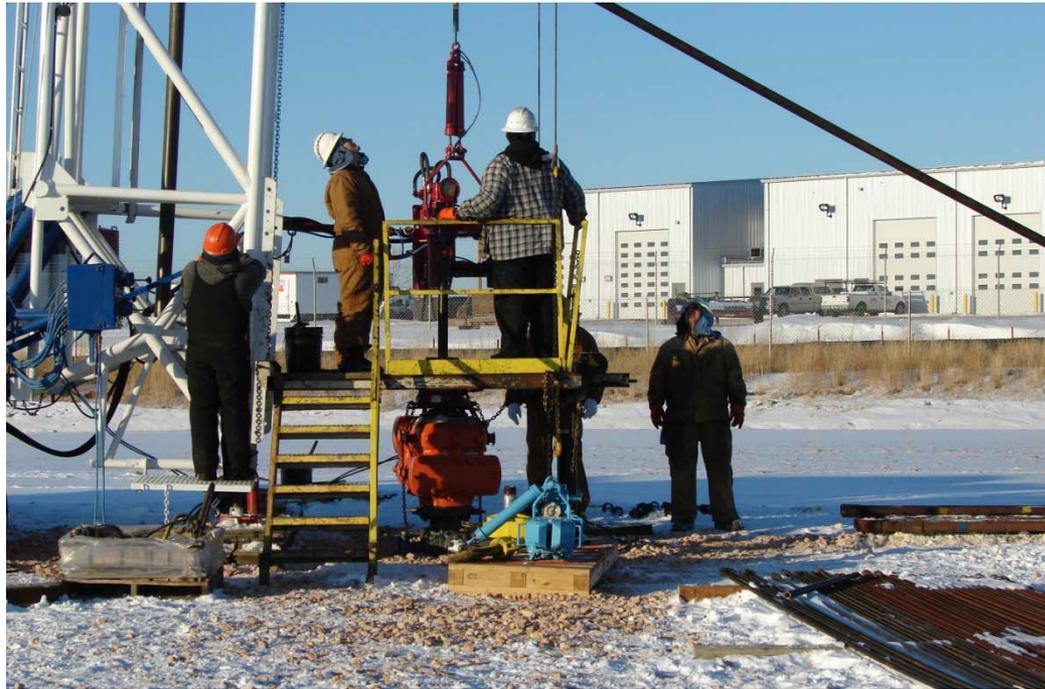
"In the oil industry, the TrainND safety programs are recognized. . .[T]his works as a great advantage for oil companies doing business in North Dakota."

Workforce Forum Participant

Effectiveness in Meeting Needs

The Forward Devils Lake Corporation "uses the TrainND program as a recruitment tool."

Workforce Forum Participant

Effectiveness in Meeting Needs

- High quality, timely, on demand, results-oriented training
- In touch with best practices nationally
- Particular Strengths:
  - Community college affiliation
  - Connected to needs of local community and region
  - Affordable
  - Responsive
  - Flexible
  - Collaboration across regions to meet needs
  - Understanding of current marketplace trends
  - Designed to respond to immediate needs

Responsiveness and Results Achieved

TrainND was "a tremendous help" when Bobcat opened a new facility in Wahpeton

Workforce Forum Participant

Responsiveness and Results Achieved

"Basin Electric Power Cooperative
has worked with Bismarck State College
in establishing a mobile welding trailer."

Workforce Forum Participant

Responsiveness and Results Achieved

- How does TrainND assess the market?
  - Consultation with advisory boards, businesses, and local and regional organizations
  - Client surveys
  - Data from Job Service North Dakota, Bureau of Labor Statistics, and national organizations

- How does TrainND develop annual objectives?
  - Input from advisory boards
  - Client surveys
  - Trends in business climate
  - Input from state policymakers and other stakeholders

- How does TrainND assess performance?
  - Performance measures tracked and reported to NDUS and to advisory boards

Responsiveness and Results Achieved

Accountability Measures	FY2006	FY2007
Number of businesses receiving training	1,287	1,595
Number of employees receiving training	9,049	10,594
Businesses requesting repeat or additional training	59.0%	64.2%
Businesses' satisfaction with training	99.2%	99.1%
Participants' satisfaction with training	98.7%	99.6%
Satisfaction of companies with responsiveness	99.7%	99.5%
Revenue generated from training fees	$2,215,157	$2,807,628

Responsiveness and Results Achieved

Accountability Measures	FY2008	FY2009
Number of businesses receiving training	1,345	1,527
Number of employees receiving training	11,990	11,028
Businesses requesting repeat or additional training	55.2%	57.2%
Businesses' satisfaction with training	98.7%	98.0%
Participants' satisfaction with training	98.0%	98.0%
Satisfaction of companies with responsiveness	99.5%	99.3%
Revenue generated from training fees	$3,260,004	$3,797,183

Responsiveness and Results Achieved

"The training we have received has been excellent and has provided growth for our employees, both personally and professionally."

Survey Respondent

Collaboration and Strategic Alliances

- SW TrainND provides welding training to the NW region and NW TrainND delivers CDL training for the SW region

- NW TrainND partnered with the SW region to deliver a class for business owners on online marketing and a web strategy

- NE TrainND collaborates with the SE region to bring manufacturing training into the region

- NE TrainND and Cankdeska Cikana Community College are partnering to provide certified nurse assistant and Indian health care provider training

Financial Performance

"The willingness of the private sector to invest shows that there is a good program."

Workforce Forum Participant

Financial Performance, FY 2006-09

- Training revenue accounts for 56% of total funding

- Business contributions represent 10% of total funding
  - Over 80 companies have donated services or equipment
  - Examples include welders, tanks, software, machining, service rig

- State funds represent 28% of total funding

- The four community colleges contribute 6% of total funding
  - Colleges provide office space, training rooms, IT support, business office support, etc.

- This four-point funding model is an excellent model and is working for the regions

Financial Performance, FY 2006-09

FUNDING SOURCES

- 56%
- 6%
- 28%
- 10%

- Business Training Revenue
- Business Contributions
- State Legislative Funds
- College Contributions
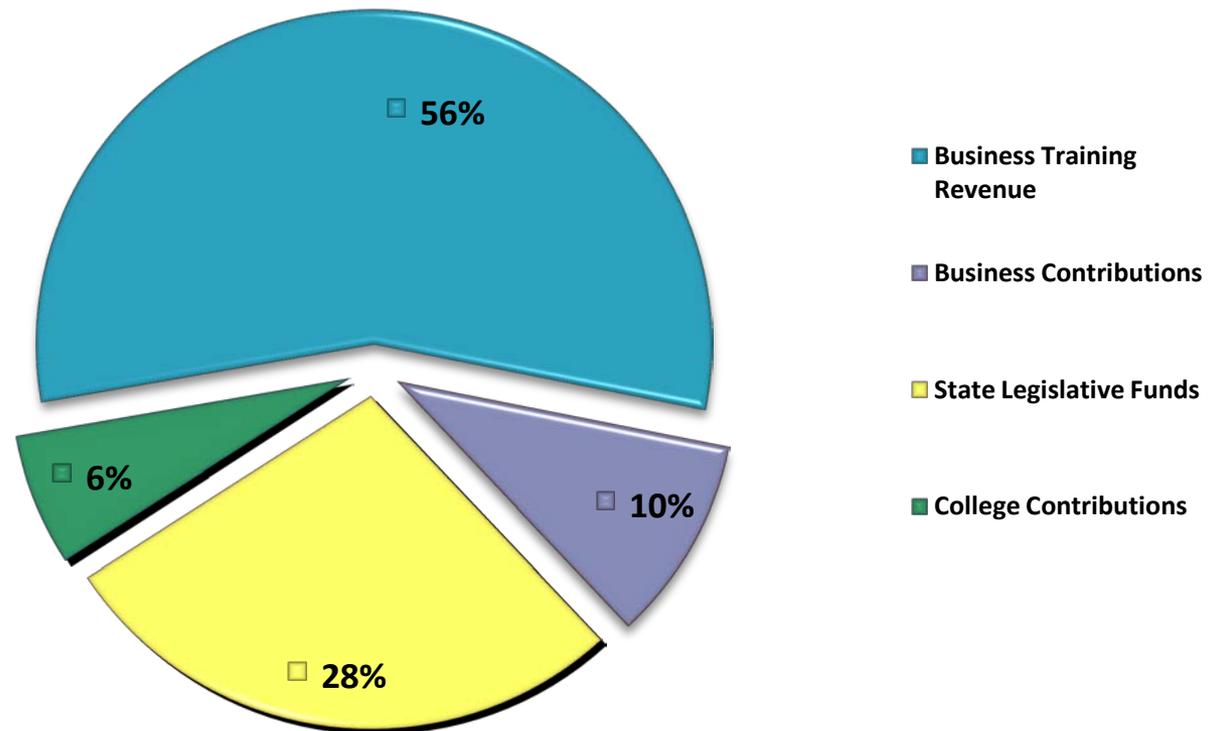
Additional Opportunities for TrainND

- Expanding training opportunities in Healthcare, IT, and emerging technical areas, for example:
  - Home healthcare provider training
  - Wind safety standards
  - Targeted industries

- Meeting critical needs in the interim; being positioned to respond more quickly in these cases
  - Recent examples: Wind technician training and forklift training could not be offered in the short timeframe business needed

- Increasing access for small and rural businesses

- Increasing access for smaller communities

Additional Opportunities for TrainND

- Providing access to and training for the most current technology

- Keeping trainers' skills current

- Showcasing successes more systematically

- Continuing collaboration with other organizations such as the Department of Commerce, Job Service North Dakota, and Economic Development organizations

Conclusions

▸ TrainND is a good model

▸ "Keep what works and enhance as appropriate"

▸ Maintain the focus on business and industry

▸ Industry involvement is crucial to TrainND's success

▸ Continue to engage advisory boards

▸ The current four-point funding model works:
  - Training revenues
  - Business and industry contributions
  - State appropriations
  - College contributions

Conclusions

- Continue to reinvest any carry-over funds in training

- Continue to plan ahead and be proactive

- Ensure the infrastructure is in place for future success

- Continue collaboration with agencies such as the Department of Commerce, Job Service, and economic development entities to address state workforce needs

- Enhance communication of TrainND's accomplishments

- Continue to pursue and develop "best practices" in workforce training as a model for other states

Important Questions

▸ How can TrainND be better positioned to meet immediate, critical workforce needs of North Dakota?

▸ How can TrainND better address the needs of small or rural businesses and small communities?

▸ Is there an appropriate role for TrainND in addressing skills gaps of unemployed or underemployed populations?

- Colleges will hold discussions with the Department of Commerce and Job Service North Dakota
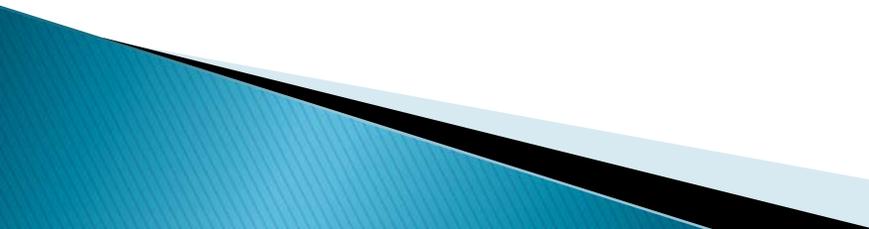
Addressing the Questions: Recommendations to the Committee

1. Create a funding pool to address immediate, critical workforce training needs within the state. For example, this pool could be available to invest in:

   - Ability of small or rural businesses to access TrainND services
   - Ability of smaller communities to access TrainND services
   - Opportunities in the state's targeted, high-growth industries – especially those with tight timeframes
   - Access for underrepresented populations

Addressing the Questions: Recommendations to the Committee

2. Support continued investment in and potential expansion of the Workforce Enhancement Grant program initiated during the 2007-09 biennium.

- Return to at least the $2 million level
- Consideration given to redefining the types of funds that can be used as match (for example, federal funds)