

AGENDA January 14, 2025 1:00 pm – 2:30 pm EST

Zoom Meeting

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Meeting ID: 848 9229 2526 Passcode: 196060

1:00 pm	Welcome and Committee Introduction	Dr. J.C. Gregory, Chair Executive Director Kentucky Office for Adult Education
1:15 pm	Overview of Past Workforce Participation Objectives	Alisher Burikhanov Executive Director entucky Workforce Innovation Board (KWIB)
1:30 pm	Review of KWIB Strategic Advance Priorities	Dr. Gregory & Alisher Burikhanov
2:00 pm	Discussion: Committee Feedback	
2:15 pm	Review of the "Easy Button" Toolkit	Alisher Burikhanov
2:25 pm	Update on Kentucky's Top 5 In-Demand Sectors	Alisher Burikhanov
2:30 pm	Adjournment	Dr. Gregory



Workforce Participation Briefing Packet January 14, 2025, 1:00-2:30 pm ET

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Plan Scorecard Overview: Workforce Participation

Goal #3: Increase Kentucky's workforce participation by creating opportunities, incenting workforce participation, and removing employment barriers for Kentuckians.



Create a metric: Rate of program-to-employer placements for priority populations in employment referral programs



Elimination of as many precipitating factors as possible that cause workers to become discouraged and stop looking for work



Create a metric: Number of GED/ technical training completions occurring in substance use disorder programs



A significant increase in the statewide labor force participation rate, with Kentucky's labor force participation surpassing that of neighboring states



Improved health statistics for Kentucky with established metrics for Healthy and Work Ready Communities initiatives



A consistent focus on assisting those with barriers to employment, including correctional populations, individuals in foster care, individuals who have substance abuse issues and disabled individuals



Create a metric: Credential Rate (by priority population including disabled individuals, corrections populations, long-term unemployed, etc.); tracks the extent to which credentialing programs are being utilized by priority populations with barriers



Established career coaching and guided assistance for youth in foster care prior to transitioning out of the system



Established systems to work with later-career individuals to support re-entry into the workforce through re-training and upskilling



Strategic Goal Brief: Workforce Participation

Goal #3: Increase Kentucky's workforce participation by creating opportunities, incenting workforce participation, and removing employment barriers for Kentuckians.

Several factors contribute to low workforce participation rates in Kentucky, such as an aging population, health challenges, and lower educational attainment rates. Despite the challenges, there are promising strategies to increasing workforce participation.

Common National Challenges

There are several challenges related to workforce participation.

Existing Scorecard Highlights*

- Program-to employer placements for priority populations
- Elimination of factors that cause workers to become discouraged
- Number of GED/technical training completions occurring in substance use disorder programs
- Increase in the statewide labor force participation rate
- Improved health statistics for Kentucky
- Focus on assisting those with barriers to employment
- Credential rate by priority population
- Career coaching for youth in foster care
- Established systems to support latercareer individuals re-entry into the workforce
- * For full descriptions see Scorecard Overview

- Employment barriers. For many families, the cost or unavailability of childcare options makes employment less feasible, particularly as childcare costs have risen in recent years. This barrier disproportionately affects women, who are often primary caregivers. Additional employment barriers that impact workers include transportation and affordable housing.
- Health-related barriers. Chronic illnesses, mental health conditions, and addiction frequently result in people dropping out of the workforce. Disability and substance use, in particular, create challenges for long-term workforce engagement.
- Criminal record and reentry barriers. Many states struggle with reintegrating formerly incarcerated individuals into the workforce. Criminal records are a major barrier to employment, with many employers hesitant to hire individuals with a criminal history, excluding individuals from meaningful job opportunities.
- Skills and jobs mismatch. Many workers lack the necessary skills to meet the demands of modern employers, especially as technology advances and sectors shift. States and regions often find it difficult to fill the training and educational gaps left by the quickly shifting demands of the workforce. Further, there is often a geographical mismatch between where people live and where the jobs are, creating further barriers to work.
- Substance use and recovery challenges. Individuals with addiction issues face numerous challenges in entering or reentering the workforce, including employer discrimination and lack of access to recovery services. Employers may be hesitant to hire individuals with a history of substance use, and workers in recovery may need support structures to maintain employment.

- Aging workforce and early exits. Many states are experiencing aging populations. Health concerns, lack of opportunities for older workers, and early retirement are contributing factors. Strategies to support and retain older workers can help keep them engaged in the workforce longer.
- **The "benefit cliff."** When a small increase in income leads to a significant loss of public assistance, like food or housing assistance or childcare subsidies, it can lead to an overall decline in resources from employment income and public assistance combined. This creates a financial barrier for families, and a potential disincentive to looking for or accepting work, increasing hours at work, or accepting promotions.

Thought Leadership & Promising Approaches

While workforce participation issues are difficult and complex to address, there are some promising strategies being implemented across the nation.

- Addressing employment barriers like childcare access, substance use recovery, and criminal justice reforms are a few of the systemic strategies that states are pursuing. Programs that provide childcare subsidies and improved access to affordable childcare services are helping parents return to work. Workforce initiatives tied to addiction recovery, including job training, are showing promising outcomes, and focus on second-chance employment programs are reducing barriers for individuals with criminal records. Some states are integrating social services, like housing assistance, transportation subsidies, and healthcare, with workforce development programs, making it easier for individuals to overcome multiple barriers while engaging with the workforce.
- **Upskilling and education** through apprenticeships and other work-based learning initiatives are working to close the gap between workers' skills and employer needs, particularly in advanced manufacturing, healthcare, and IT. Some of these programs include free vocational or community college training programs to help adults upskill.
- **Health and disability supports** in some states are focused on increasing the workforce participation of individuals receiving disability benefits by creating flexible work environments and increasing access to vocational rehabilitation services.
- **Targeted population programs** aim to reintegrate special populations like veterans and returning citizens into the workforce. These programs often include specialized job placement services, mental health support, employer education, and vocational training for individuals.
- Addressing benefit cliffs may be helpful to increasing workforce participation. States have implemented a number of strategies, including gradually phasing out benefits rather than cutting them off abruptly, bridge programs that extend benefits for a period of time, incentivizing employers to offer "bridge benefits," or extending eligibility for childcare benefits to offset other benefit losses.

States across the U.S. are implementing various strategies to increase workforce participation. The links below highlight just a few.

- Michigan's Statewide Workforce Plan
- <u>California's Featured Workforce Initiatives</u>
- Addressing the Benefits Cliff

KWIB Strategic Advance – Workforce Participation Summary

Priority

1. Understand employment gaps

There was a considerable discussion on this priority, which centered around understanding job forecasts and following them through to understand what jobs actually come to fruition: How many positions does the employer try to fill, how many get filled, and if there are jobs that go unfilled, why they go unfilled, etc. This could also be an opportunity to understand if employers are hiring "second chance" employees, as well as how many jobs are getting filled via lateral moves of employees (leaving one employer to go to another vs. joining or rejoining the workforce).

2. Tell our story

This priority was born out of the weakness identified on Day 1 of the Advance: That there are many people out of the workforce who do not know or understand or trust the services that may be available to them, as well as the legislators and even other agencies who do not know or understand what the system does. The group identified four audiences that could impact workforce participation who need to understand what the workforce development system does:

- Legislators (fund and support the work)
- Other agencies and programs to ensure collaboration
- Potential workers (who don't know or trust available services)
- Employers, who need information on hiring from opportunity populations

3. Understand why people aren't working

As the groups discussed different aspects of workforce participation, there was a realization that there are a lot of assumptions being made about why people are not working. Truly understanding why people aren't entering or re-entering the workforce will help to build strategies and solutions that can begin to move the needle. Potential strategies include:

- Use data to uncover trends
- Directly ask people (surveys or focus groups)
- Understand skill and hiring gaps

4. Address employer barriers in hiring opportunity populations

This priority focuses on helping employers overcome challenges when hiring individuals from opportunity populations, such as immigrants, refugees, and others who face systemic barriers to employment. The goal would be to support employers in hiring individuals they may not otherwise be comfortable with hiring and improving access to employment opportunities for these groups. Examples strategies include:

• Educate employers about legal immigration and required documents

Priority

- Encourage employers to learn the language of workers
- Incentivize employers to hire opportunity populations through supports (e.g., translation services)

5. Continue work on the benefits cliff

There was recognition across the goal groups that work has begun to educate stakeholders about the benefits cliff and a general agreement that this work should continue by beginning to implement solutions to address the issue.

6. Systematize services to New Kentuckians

Groups agreed that there are pockets of work begin done to support New Kentuckians (legal immigrants) to connect them to the workforce. However, there was also general agreement that this work is not currently being done consistently or in a systematic way across the state. Potential strategies for this priority include:

- State investment
- Contextualized ESL programs

7. Justice-involved individuals: Expand and leverage existing work

There was general agreement that work has been done on connecting returning citizens to employment, but that there is more work to be done in this area. Two specifics strategies that were identified were to:

- Focus on prison *and* jail populations (currently focused on prison only)
- Improve alignment and include local boards

8. Focus on veteran employment

A very direct statement was made by a member of the Workforce Participation Committee: "Employers don't hire veterans." This conversation led to the potential priority to focus on increasing veteran employment by employing these potential strategies:

- Retain veterans as they exit service (e.g., military retirement)
- Educate employers on skill crosswalks (military language vs. employer language)
- Help veterans understand their own skills and how to translate them effectively

9. Encourage older workers to rejoin the workforce

There was some discussion that older workers who have retired could be re-engaged in part-time work, bringing their much-needed skills back into the workforce. This conversation included the need to understand what older workers are looking for and how to re-engage them.

The Easy Button

There is no magic button to press to make the world work for you, but here is a concise list of resources to set you down an easier path.



Resources to aid Kentucky families from childcare to nutrition.

- <u>Employee Child Care Assistance Partnership Program (ECCAP)</u> Program designed to assist employees and employers with the cost of childcare through Kentucky's Cabinet for Health and Family Services.
- <u>Family Resource Simulator</u> An interactive tool for illustrating public assistance benefits and cliff effects for workforce families.
- <u>Kentucky Cabinet for Health and Family Services</u> Home base for accessing various family-based programs and initiatives available to employers and employees.
- <u>Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T)</u> –Nutritional support and workforce training to eligible participants.
- <u>Women, Infants and Children's Program (WIC)</u> Nutritional, as well as Pre-and Postnatal support for eligible parents of children up to six years old.



Housing Resources

Resources to aid Kentuckians in finding and retaining housing.

- <u>Kentucky Housing Corporation</u> Affordable housing solution programs and services designed to develop, preserve, and sustain housing statewide.
 - <u>Housing Supply Gap Website</u> Addressing housing gaps and their impact on individuals within the workforce.
- <u>Housing for Urban Development (HUD)</u> Grants and programs to assist Kentuckians to find affordable and sustainable housing statewide.
- <u>Special Committee Kentucky Housing Task Force</u> Taskforce designed to study and review the current and future policy needs of the state to address access and availability of housing to the citizens of the Commonwealth.
- <u>Low Income Home Energy Assistance Program (LIHEAP)</u> Federally-funded program to help eligible low-income households meet their home heating and/or cooling needs.



Transportation Resources

Resources to aid Kentuckians in finding transportation statewide.

- <u>Public Transportation Providers</u> A list of all available public transportation providers across the Commonwealth to combat transportation barriers.
- <u>Transportation Initiative</u> A project of UK's Human Development Institute that seeks to provide comprehensive information and education on transportation options in Kentucky.



Work-Based Learning & Apprenticeships

Resources to aid work-ready individuals to enter the workforce development system.

- <u>Kentucky's Registered Apprenticeship</u> Program that helps businesses develop their workforce, serving the critical need of increasing employee retention and finding qualified candidates for hard-to-fill jobs.
- <u>Work-Based Learning Manual</u> A manual for the Work-Based Learning program with the purpose of providing guidance and direction for schools when developing and implementing the components of work-based learning experiences.
- <u>Bus to Business Initiative</u> A statewide KY Chamber initiative focused on connecting students with employers and bringing classrooms to careers by showing students what career pathways are in their own communities.
- <u>Kentucky Federation of Advanced Manufacturing Education (KY-FAME)</u> A partnership of regional manufacturers whose purpose is to implement career pathway, apprenticeship-style educational programs that will create a pipeline of highly skilled workers.



Resources to aid justice-involved individuals re-enter society and the workforce.

- <u>Team Kentucky's Second Chance Website</u> Programs and Initiatives to aid those reentering society or the workforce, as well as employers seeking to aid in such programs.
- <u>Re-integration of Ex-Offenders Programs</u> Programs with the aim of improving involvement within the criminal justice system by creating individualized reentry plans, empowering individuals with resources, support, and programing, to promote successful reintegration into the community.



Resources to aid veterans, transitioning military, and military families.

- Jobs for Veterans State Grants (JVSG) Provides federal funding to hire dedicated staff to provide individualized career and training-related services to veterans and eligible persons with significant barriers to employment, as well as assist employers to fill their workforce needs with job-seeking veterans.
 - <u>Veteran Resources –</u> A list of resources to aid veteran job-seekers.
- <u>Veterans, Transitioning Military and Military Family Resource Guide</u> a composite document with information and links to various resources aimed at assisting military-involved individuals.



Vocational Rehabilitation

Resources to aid individuals with disabilities to enter the workforce.

- <u>Statewide Needs Assessment</u> An assessment addressing the vocational rehabilitation needs of Kentuckians with disabilities to develop and update the state plan for vocational rehabilitation services and to help determine objectives and priorities.
- <u>Internship Opportunities</u> A professional learning experience that offers meaningful, practical work related to a student's field of study or career interest, giving a student the opportunity for career exploration and development, and to learn new skills.



Refugee Resources

Resources to aid new Kentuckians.

- <u>Kentucky Office for Refugees</u> The refugee resettlement agencies in Kentucky operate the Reception & Placement (R&P) program, meeting refugee needs upon first arrival. These agencies also provide comprehensive post-arrival services including case management, employment services, and English language training programs. Kentucky is home to 8 resettlement agencies located in Louisville, Lexington, Bowling Green, Covington, and Owensboro.
- <u>Kentucky Adult Education</u> If English is not the primary language of an individual, and they'd like to become more fluent while improving job-seeking skills, Kentucky Adult Education offers complete English as a Second Language (ESL) instruction in every Kentucky county.

Kentucky's Top Five In-Demand Sectors

On November 21st, 2024, the Kentucky Workforce Innovation Board (KWIB) voted to adopt the Kentucky's top five in-demand sectors. The two-phase, data-informed identification and verification process is described below with sample occupations provided. Additionally, the KWIB voted to incorporate a five-year review process utilizing the two-phase approach of quantitative and qualitative analysis.

Kentucky's Top Five In-Demand Sectors:

- 1. Healthcare
- 2. Manufacturing and Logistics
- 3. Construction
- 4. Education
- 5. Professional, Scientific, and Technical Services (PS&TS)

Background

The process of identifying the top five in-demand sectors in Kentucky took place through a two-phase approach, through a quantitative and qualitative review process. The data gathering and analysis was provided by the Kentucky Center for Statistics (KYSTATS).

The quantitative review process initiated in the Sector Strategies Workgroup with membership consisting of Kentucky Workforce Innovation Board (KWIB) members, business and industry representatives, education partners, government representatives, and workforce development practitioners. The workgroup settled on the key quantitative data approach of reviewing occupations that are in-demand, experience growth, and have living wages. Specifically, the formula set by the quantitative group:

- 1) Entry Annual Wages OR Median Wages (25%)
- 2) Occupational Demand (50%)
- 3) Growth Rate (25%)

Importantly, the business members of the workgroup emphasized the importance of occupational demand and giving it more percentage weight above the other elements. The list of key occupations was then connected to their respective industry sectors. The quantitative workgroup reviewed various ranking methods in the review process (i.e. incorporating location quotient) and ultimately settled on the fact that all methods lead to similar sector output.

Once the quantitative workgroup agreed on the formula and the data derived, the work of the qualitative workgroup began. The qualitative workgroup consisted of statewide education and training organizations that not only administer various training dollars, but also understand industries that may be experiencing growth in the future not yet reflected in data.

Example Occupations

1. Healthcare

a. Registered Nurse

- b. Medical and Health Services Managers
- c. Nurse Practitioner
- d. Substance Abuse, Behavioral Disorder, and Mental Health Counselors
- e. Clinical Laboratory Techs

2. Manufacturing and Logistics

- a. Assemblers and Fabricators
- b. Inspectors, Testers, Sorters, Samplers, and Weighers
- c. Machinist
- d. Industrial Production Managers
- e. Heavy and Tractor-Trailer Truck Drivers

3. Construction

- a. Construction Laborers
- b. Carpenters
- c. Electricians
- d. Plumbers, Pipefitters, and Steamfitters
- e. Project Management Specialists

4. Education

- a. Elementary School Teachers
- b. Secondary School Teachers
- c. Middle School Teachers
- d. Educational, Guidance, and Career Counselors and Advisors
- e. Postsecondary Teachers

5. Professional, Scientific, and Technical Services

- a. Software Developers
- b. Management Analysts
- c. Paralegals and Legal Assistants
- d. Computer User Support Specialists
- e. Market Research Analysts and Marketing Specialists

Impact and Future Review

Identifying these sectors allows Kentucky to focus time and investment into growing the opportunities in industries and occupations that are in high demand, are experiencing growth, and pay living wages. Investment in these sectors and occupations go beyond Workforce Innovation and Opportunity Act (WIOA) as the Kentucky workforce development ecosystem operates in a collaborative and strategic direction.

The five in-demand sectors provide a statewide lens, while local workforce development boards can incorporate additional two sectors that are reflective of their local economies.

In addition to adopting the top five in-demand sectors, the KWIB voted to incorporate a review process every five years utilizing the two-phase approach of quantitative and qualitative review.