

MARYLAND GOVERNOR'S Workforce Investment Board



# **Charting New Directions**



#### **Board Members**

Hon. Robert L. Ehrlich, Jr. Governor. Hon. Michael S. Steele Lt. Governor

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**Executive Director** Robert W. Seurkamp

# M A R Y L A N

# GOVERNOR'S WORKFORCE INVESTMENT BOARD

March, 2004

#### Dear Governor Ehrlich, Lt. Governor Steele, President Miller, Speaker Busch, the General Assembly, and the businesses and citizens of Maryland:

We are pleased to present this year's Governor's Workforce Investment Board Annual Report. 2003 has been an exciting year for the Governor's Workforce Investment Board (GWIB) with many accomplishments and many changes. One of the most visible changes involves our organizational placement within State government. GWIB is now a part of the Department of Labor, Licensing and Regulation and as such is perfectly situated to play a leading role in Maryland's workforce development system. Our work has been recognized by the U.S. Department of Labor as a template for the rest of the Nation. We have been charged by Maryland's General Assembly with reviewing Maryland's workforce development system for inefficiencies and improvements. Even with these increased responsibilities, the Governor's Workforce Investment Board has forged new relationships with Maryland's workforce development agencies, local and National funders, and Maryland's industry leaders as we develop a demand-driven system for workforce development.

The Governor's Workforce Investment Board is charting new directions for the public workforce development system. We look forward to our advanced standing as Maryland's clearinghouse for the workforce development system and remain committed to a demand-driven approach. We anticipate working with all of you in the coming years to maintain the quality of the workforce in Maryland.

In the following report, you'll find:

- > An overview of Maryland's workforce development system, the Governor's Workforce Investment Board, and the local workforce investment boards;
- > Our plan for Charting New Directions for Maryland's workforce development system;
- > Our nationally recognized regional cluster-based initiative;
- > An overview of our workforce information publications; and
- > Our guidance to the local workforce investment boards in 2003.

Sincerely,

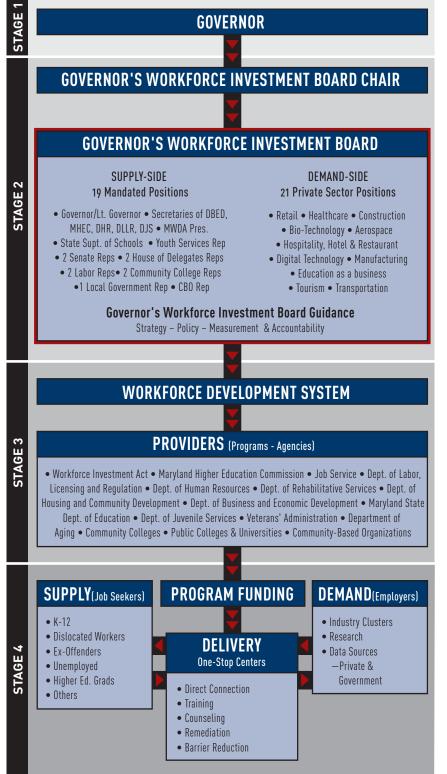
Gino J. Gemignani, Jr. Chair Governor's Workforce Investment Board

**Robert W. Seurkamp Executive Director** Governor's Workforce Investment Board

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James D. Fielder, Jr., Ph.D. Secretary Department of Labor, Licensing and Regulation

### Maryland's Workforce Development System



#### The 4 Stages of Maryland's Public Workforce Development System

Maryland's public workforce development system is made up of industry leaders, public agencies, and ultimately Maryland's job seekers and businesses. In essence, there are four stages of the system as this chart demonstrates.

- The first stage is that of the Governor and the Governor's office. Maryland's Governor is responsible for guiding the workforce development system as a whole but relies heavily on others to be of assistance.
- 2. This support comes largely from the second stage, the Governor's Workforce Investment Board led by the Chair of the Board. The Board is responsible for gathering information from other agencies, businesses and organizations, synthesizing the information and reporting its recommendations to the Governor.
- The third stage is that of the workforce development system providers. These agencies work with the direct suppliers and recipients of the public workforce development system.
- 4. The final, largest, and most important stage consists of the actual job seekers and employers. These are the customers of the workforce development system. The system exists to serve the needs of both business and the job seeker.

#### Maryland's Public Workforce Development System

The quality of Maryland's current and future workforce is vital to the economic future of the State. Maryland's continued economic strength is directly linked to its ability to produce and continuously develop a highly skilled workforce. To hold its competitive edge, Maryland must forge an education and training system that can stay ahead of rapid shifts in demand for new and increased skills. The health of our economy depends directly on the health of our public workforce development system.

Maryland's public workforce development system is a publicly funded, comprehensive, aligned system that trains workers for current and future employment. This system includes, at the local and State level, education and training, from the K-16 system to re-employing retired seniors and every employment stage in between, to meet the needs of business. Integrated into this system of training is also the support services needed for workers, such as daycare and transportation services. The system is essential to filling the skill gap between those people that need employment, incumbent workers in need of training and businesses that need skilled employees. A successful public workforce development system is at the heart of any successful economic development policy. Please see the center foldout for specifics on the programs included in the workforce development public system. Additional details of each program will be available on our website, www.mdworkforce.com.

The Governor's Workforce Investment Board (GWIB) is the State's chief policy-making body on workforce development and is mandated by the Federal Workforce Investment Act. It is a business-led group of approximately 40 members, 51% of whom are from the private sector, that guides Maryland's public workforce development system. The Board is responsible for developing strategies and policies to form a coordinated workforce system from a multiplicity of education, employment and training programs. It brings together and focuses various workforce development partners and stakeholders on a single outcome; a properly prepared workforce that will meet the current and future demands of Maryland employers.

In Maryland, the scope of the Board was expanded beyond the Federal Workforce Investment Act by Executive Order to encompass all components of the workforce development system. The Maryland General Assembly has mandated that the Board adopt the responsibility of reviewing the entire workforce development system to "identify inefficiencies within the State's own workforce development delivery system" for the purpose of improving the system and reducing cost. The Board has taken a unified, positive approach by working with Maryland's Sub-Cabinet, composed of senior executives from each of the partner agencies, to identify opportunities for improvement. An interim report was delivered to the General Assembly in January 2004 and the final report will be completed June 2004. The Board's review will be inclusive, meaning that it will include and affect all key partners and stakeholders, including business, education, and government.

In addition to the State-level Workforce Investment Board, there are also twelve Local Workforce Investment Boards (LWIBs) representing the twelve local workforce areas in Maryland. The local Boards are guided and led by local private industry to meet the specific needs of the employer community in the area. As an integral component of their community, the local Boards are in the best position to recognize the skill shortages of their areas and foster relationships with the workers and employers. The local Boards build connections between workforce development and economic development by serving as a vehicle for identifying needs, and developing and ensuring implementation of an effective workforce strategy.

#### **Local One-Stop Areas**

In Maryland, the twelve Local Workforce Investment Boards (LWIBs) directly provide employment and training services and serve as the primary coordinator for the provision of workforce services in each jurisdiction. These Boards are required to coordinate their services with local Job Service offices, twenty-four Departments of Social Services, the sixteen community colleges, State-operated rehabilitation services and adult literacy. The local delivery of services and coordination role at the LWIBs is funded almost entirely by the Federal government contributions. The One-Stops are funded primarily with Federal Workforce Investment Act (WIA) and Federal Wagner-Peyser dollars.

The LWIBs have made great strides in offering successful and effective programs. Maryland, through its One-Stops, was one of only 16 states in the Nation and the only one in the region to meet all of the performance measures required by the Workforce Investment Act, including measures for Career and Technology Education and Adult Education, thereby qualifying for a \$1.9 million incentive grant. The Governor allocated \$1 million of this amount for a new incumbent worker training program, Maryland Business Works, to support existing Maryland businesses in the retention and growth of their workforce.

The LWIBs continue to make improvements in the coordination and consolidation of Federal and State workforce dollars and programs to eliminate duplication and reduce costs, and are aggressively exploring how services rendered under different job training programs can become more seamless. The following are examples in Maryland of where this is already happening.

#### Lower Shore

The One-Stop Job Market is a 23,000+ sq. ft. facility located in Salisbury, Maryland just off Route 50 and only five miles from Wor-Wic Community College. There are a dozen agencies represented at the One-Stop Job Market. There are also two computer labs featuring job search, resume assistance and basic computer training, with one lab for persons with disabilities. Other services include workshops, an assessment lab, conference rooms, an online information database and drop-in child care. The Lower Shore Workforce Alliance is partnering with the Tri-County Council for the Lower Eastern Shore of Maryland beginning July 1, 2004. The primary benefits of this partnership will be the sharing of staff and a closer relationship with local elected officials and regional economic development.

#### FREDERICK COUNTY

Frederick County's front line staff has created cross agency work teams to make recommendations to eliminate duplication and confusion to customers, enabling staff to learn each other's computer systems and critical functions. Frederick County is also working to make their marketing materials reflect the Business and Employment Center, and has recently developed a Business Outreach Team that includes all partners and Economic Development. Frederick County also has a Board workgroup that is working to determine common customer satisfaction and efficiency measures from all partners. They have visited the Center as "customers" in order to better assist with an outside eye. The directors of the partner agencies meet monthly as the One-Stop Employment Partnership and also acts as a workgroup of the Board.

# Charting New Directions for the Public Workforce Development System

2003 was a year of change for the Governor's Workforce Investment Board (GWIB). The foundation was laid for Maryland to be recognized nationally as a leading workforce investment system. As part of this change, the structure and leadership of the Board was modified.

#### **New Structure**

Previously, the Board functioned as an independent agency of the State of Maryland formulating State workforce policy. This year, the Board joined the Maryland Department of Labor, Licensing, and Regulation, which is responsible for the day-to-day operations of the State's public workforce investment system. Housing the two agencies in one department allows for better planning, communication, and operation of the entire system.

#### **New Chair of the Board AND EXECUTIVE DIRECTOR**

Governor Robert L. Ehrlich, Jr. appointed Gino J. Gemignani, Jr. as Chair of the Governor's Workforce Investment Board (GWIB). Mr. Gemignani is the Senior Vice President responsible for business development and college recruiting at The Whiting-Turner Contracting Company. An active leader in the field of workforce development, Mr. Gemignani currently chairs the President's Advisory Council of University of Maryland – Baltimore County, the Baltimore City Community College Foundation Board and the Collegetown Business Advisory Council. He is also a former chairman of the Baltimore County Workforce Development Council.



Gino J. Gemignani, Jr. on left, Robert W. Seurkamp on right

In 2003, Robert W. Seurkamp was appointed the new Executive Director of the Governor's Workforce Investment Board. As the former President of RWS Consulting, Inc. in Baltimore, Mr. Seurkamp has more than 30 years of experience in business management and consulting on all levels. His areas of expertise include human resource management, higher education, labor relations and strategic planning. Mr. Seurkamp's professional career has been distinguished by nearly 25 years with Xerox Corporation, where his contributions were recognized internationally. Additionally, his business acumen prepared him as a successful owner and operator of a small business in upstate New York.

## **NEW VISION, MISSION AND STRATEGY**

**VISION:** A Maryland where every person maximizes their career potential and employers have access to the human resources they need to be successful.

**MISSION:** To guide a nationally recognized workforce development system that is aligned with the economic and educational goals of the State of Maryland and that will result in a qualified workforce available to employers in the State of Maryland.

**STRATEGIC PLAN STATEMENT:** To formulate an effective workforce policy for the State of Maryland based on business demand for workers. Maryland currently has unemployed workers and, at the same time, businesses that are struggling to recruit employees. In between the workers and the businesses lies a skill gap. The Board is committed to identifying this skill gap and creating policy to train workers in the skills that are in current demand by Maryland businesses. In the long term, the Board will align the public workforce development system with Maryland business demand to ensure that new worker skills match demand.

#### THE STAFF OF THE GOVERNOR'S WORKFORCE INVESTMENT BOARD



Jean Davis, *Policy Analyst:* Ms. Davis joins us from Johns Hopkins University where she has a Master's in Sociology and is currently a Ph.D. candidate in

Sociology. She also holds a Master's in Public Policy from the University of Chicago. Ms. Davis leads the State Youth Council, assists the Healthcare Initiative and staffs the Military Healthcare Workforce Transition Committee.



**David Fontaine**, *Director of Business Policy*: Mr. Fontaine brings to GWIB a multiplicity of experience with both government and the private sector. He has

extensive experience as a consultant, trainer and facilitator in organizational change, process improvement and strategic planning. At GWIB, he focuses his efforts on building GWIB's sectorbased approaches to the workforce development system. Mr. Fontaine is the lead staff on GWIB's successful Healthcare Workforce Initiative.



Darla Henson, Administrator:

Ms. Henson works in an administrative capacity with the State of Maryland for the last 15 years, five of them with GWIB.

She brings her vast knowledge of complex State procedure and budgetary policy with her. In addition, Ms. Henson has extensive experience in a variety of software programs, including VISIO, Word, Excel and Access. Ms. Henson is the primary GWIB contact for Board members and local workforce executives.



Joanna Kille, *Policy Analyst:* Ms. Kille brings to GWIB her extensive legislative experience on Capitol Hill in Washington, D.C.. She holds a Bachelor's in

Economics from Denison University. Ms. Kille is the administrator of the much-praised STEP program, designed to increase the skills of lowincome healthcare employees. She also serves as the primary legislative liaison for GWIB.

#### **Cluster-Based Approach to Workforce Shortages**

The Board is committed to sustaining a demand driven workforce investment system and has adopted the industry cluster-based approach to regional economics developed by Harvard Business School professor, Michael E. Porter, Ph.D. and endorsed by the National Governor's Association. In addition, the Maryland State Department of Education (MSDE) is using a related concept of career clusters to organize student learning at the secondary and postsecondary levels to reflect Maryland's key economic sectors. GWIB's industry cluster-based approach will work closely with MSDE's career cluster system to create a seamless, incorporated, demand-driven workforce investment system.

A cluster-based approach to regional economics is based on industry clusters. An industry cluster is a geographical area in which interrelated industries are located, including both primary and supporting businesses. For instance, in a printing industry cluster, you may find multiple printers concentrated in a geographic area, as well as businesses that sell paper, ink, or mailing supplies that have located in the area to service the printing businesses. In addition, local educational institutions may make printing related training available. In a cluster-based approach, policy makers identify the industry clusters in their target area and aid the industry cluster expansion. If the clusters are economically healthy, that industry will thrive as well as those businesses that support that industry resulting in an overall healthy economy.

#### How GWIB APPLIES THE CLUSTER-BASED APPROACH

The Governor's Workforce Investment Board uses the cluster-based approach to strengthen Maryland's economy by first identifying the State's existing industry clusters that are experiencing a skilled workforce shortage using our State of the Workforce Report. Once the industry clusters have been identified, GWIB is taking steps to resolve the shortage through a three-step process.

# STATE OF THE WORKFORCE REPORT: IDENTIFYING INDUSTRY CLUSTERS

The cluster industries experiencing a skilled workforce shortage are identified within the 2003 data-driven State of the Workforce 2010 report. Once the industry clusters are identified, they are targeted in the Board's 2004 – 2010 Strategic Plan, which specifies and quantifies the present and future workforce needs of the industries. This includes not only the amount of workers needed but also the skill sets that are required.

In addition to providing timely, accurate information for the State as a whole, the State of the Workforce report also provides similar data and analysis at the local workforce investment area level so that local workforce investment boards may use this report to guide their planning efforts as well.

#### THREE-STEP WORKFORCE DEVELOPMENT PROCESS: RESOLVING WORKFORCE SHORTAGES WITHIN INDUSTRY CLUSTERS

The cluster-based approach GWIB employs represents a groundbreaking approach to statewide workforce development policy. This workforce development process, whose goal is to resolve workforce shortages in targeted industry clusters, is three-fold.

#### Step One: Industry Steering Committee

To begin the process, GWIB recruits key stakeholders in the targeted industry cluster to form a Steering Committee. This committee documents the current and future workforce shortage within the industry, including the amount of workers needed and skill sets needed, and researches best practices from Maryland and other states. The result of this analysis is an industry monograph. From the information collected, the committee recommends initiatives for the State of Maryland to take in order to resolve the skilled worker shortage in the industry cluster.

#### Step Two: Industry Summit

The industry steering committee invites all leaders within the targeted industry cluster, both private and public, to an invitational summit. The monograph, described above, serves as the background and jumping off point for the summit participants. Utilizing the knowledge of all aspects of the targeted industry - from education through employment — participants work together to create sound policies to drive the expansion of the skilled workforce. The result of the summit is a listing of initiatives that is agreed-upon by the participants to be the best approaches for Maryland to address the workforce shortage. In addition, the summit participants identify industry and public leaders to serve as champions for each initiative.

#### Step Three: Implementation

GWIB staff works in tandem with the steering committee and the selected initiative champions to implement the chosen initiatives. In this manner, we can be assured that the deliverables agreed to during the summit are well in hand.

#### **INDUSTRY INITIATIVES**



The first industry that the Board targeted was healthcare and it now serves as a template for future industry cluster initia-

tives. At the Governor's Healthcare Workforce Summit in August 2003, Assistant Secretary of the U.S. Department of Labor, Emily Stover DeRocco, remarked, "I think this strategic workforce development process is a template for the nation. This state event is mirroring what we are trying to do across the country in high growth sectors of our economy. You are, as far as I know, the first state in the nation to have a statewide healthcare forum involving all critical partners necessary to solve the healthcare workforce challenges. We will indeed take this template and offer it to every other state."

A summary of the healthcare initiative is below and the healthcare industry workforce development process materials are available on the Board's website, *www.mdworkforce.com*.

In the first step, the Board brought together over two dozen key stakeholder institutions in 2003 to form a Steering Committee to guide the Healthcare Workforce Summit process.

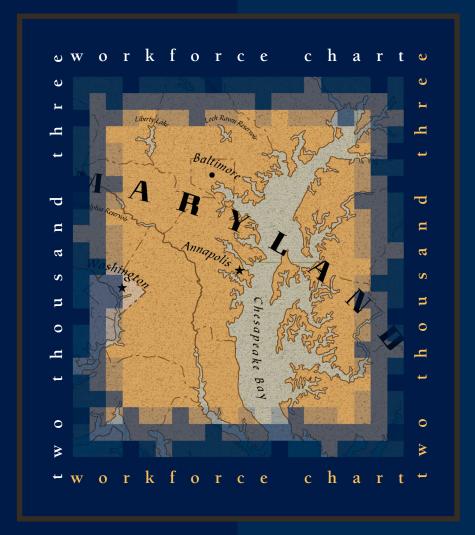
The Steering Committee included the following participants:

- Healthcare industry employers
- ► State licensing boards
- Educational representatives
- ▶ U.S. Department of Labor
- ▶ U.S. Department of Defense
- Allied State agencies

In addition, the Steering Committee compiled the Governor's Healthcare Workforce Summit Monograph, which consisted of agreed-upon information regarding the industry's current and future workforce shortage and included best practices from across the Nation.

In the second step, GWIB facilitated an invitational Governor's Healthcare Workforce Summit on August 28, 2003 to address the critical issue of significantly increasing the number of skilled

# THE MARYLAND PUBLIC WORKFORCE DEVELOPMENT SYSTEM CHART



MARYLAND GOVERNOR'S WORKFORCE INVESTMENT BOARD

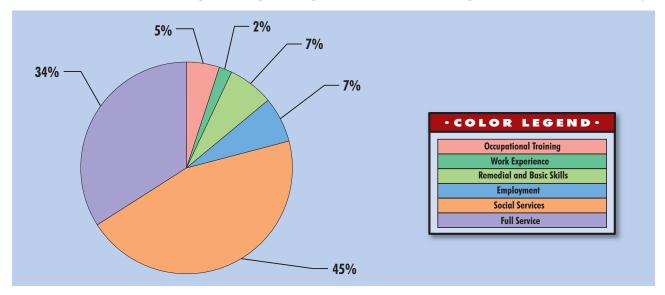
#### Maryland's public workforce development system is critical to its economic development. Only with an expanded, properly trained workforce can Maryland maintain and expand its competitive edge.

The workforce development system, however, is difficult to define and even more difficult to calculate. Maryland is one of the first states to attempt to do so. This workforce development system chart is an easy-to-read, visual representation of this effort.

Last year, the Governor's Workforce Investment Board put together the first ever Maryland Public Workforce Development System Chart. This year we have updated and expanded this chart, including six new programs. Unless otherwise noted, the available funds data are for Fiscal Year 2004 (7/1/03 – 6/30/04) and the Service Level and Impact/Outcome data are for Fiscal Year 2003 (7/1/02 – 6/30/03).

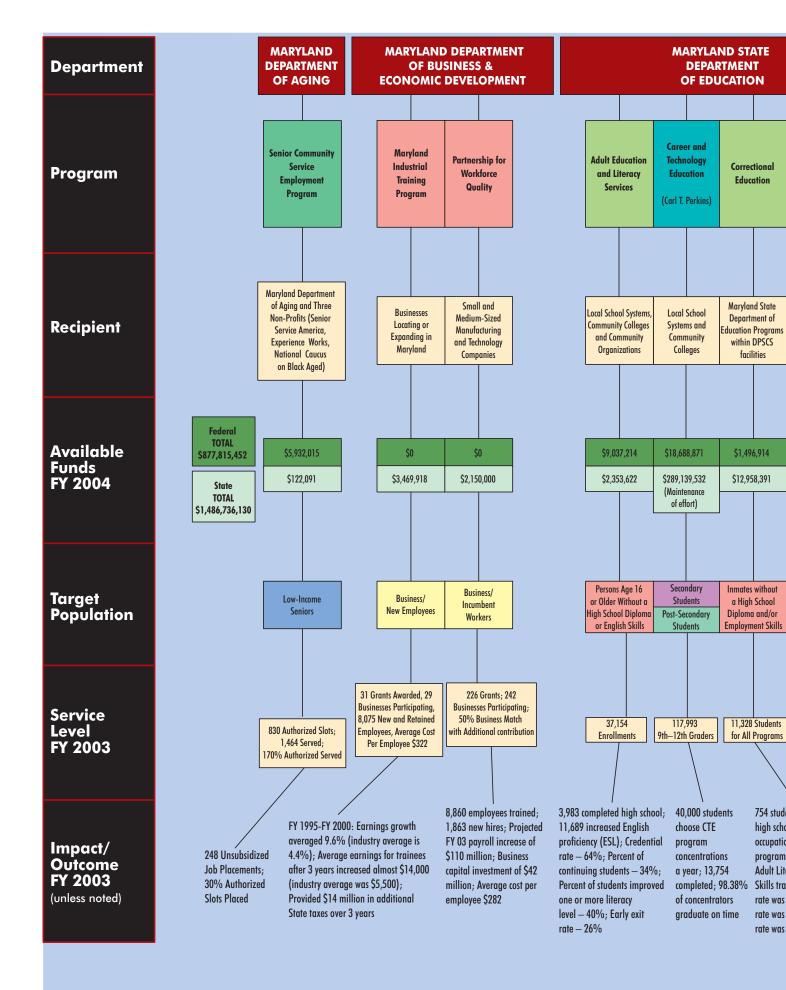
This chart shows eight State agencies administering thirty-one workforce development programs and the Federal and State funding for each. The chart, however, does not include investment in the K-12 system, teacher development programs, Job Corps, or adjudicated youth and adult programs. It also does not include some financial subsidies directly to citizens such as Temporary Assistance for Needy Families (TANF).

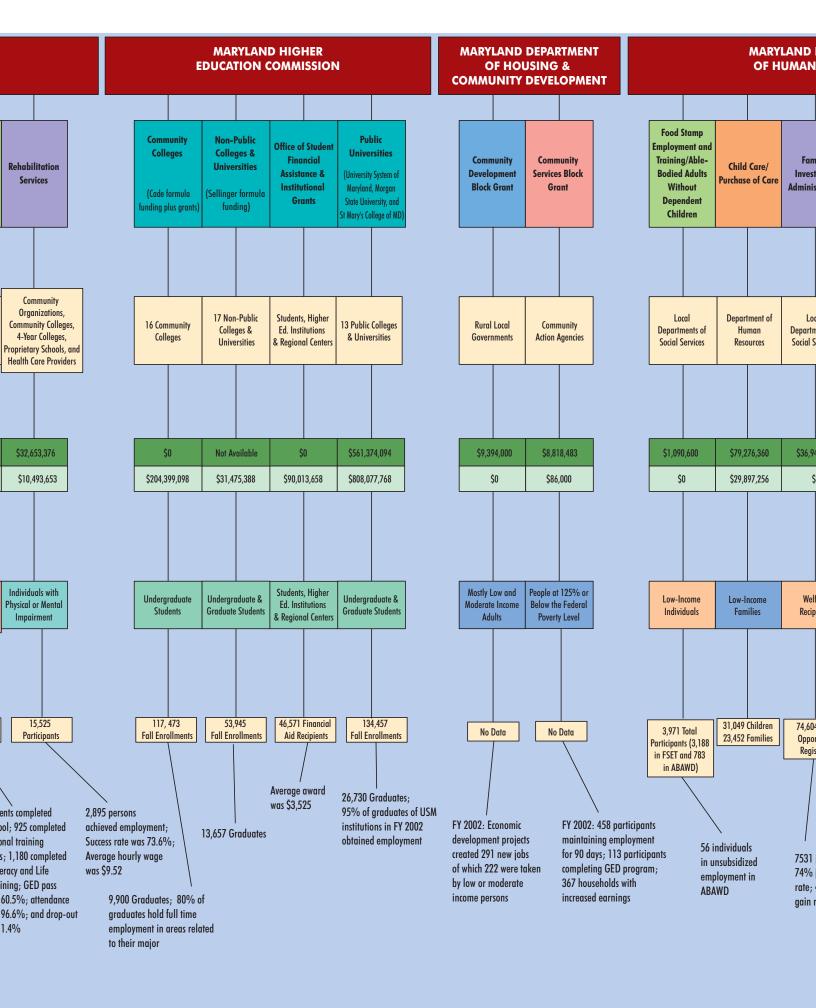
The chart illustrates \$2.4 billion in public workforce development spending; \$1.5 billion of that are State funds. 85% of the \$2.4 billion in funding goes to education programs. Of the 15% remaining funds, social service programs receive 45%, with the bulk for childcare and unemployment insurance payments. Full service workforce development programs account for another 34%. The types of programs with the least spending, in order from less to more, are work experience, occupational training, remedial/basic skills training, and employment programs.



**Public Workforce Development Spending: Non-Education Programs** (15% of total funding)

By looking at the workforce development system as a whole, we can evaluate whether we are funding our priorities. The Governor's Workforce Investment Board is committed to analyzing the entire system and to developing a method for evaluating its success. This chart is a first step towards leading the State to an efficient, successful, demand-driven workforce development system.



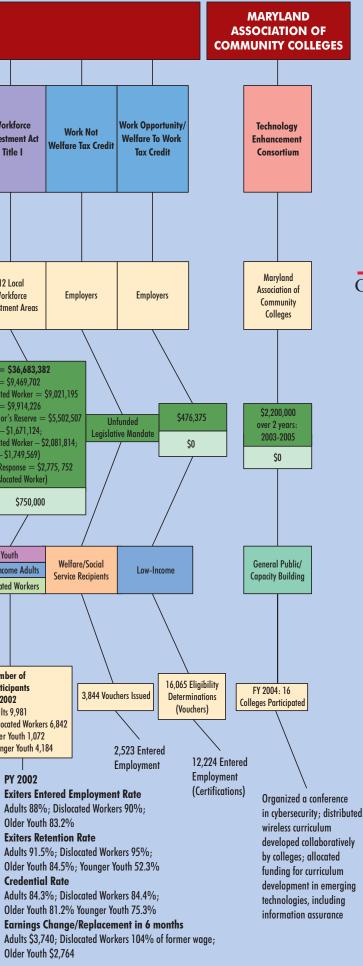


#### DEPARTMENT RESOURCES

#### The Maryland ily Job Access/ Fatherhood ment Reverse Initiative tration Commute **Grant Program** Local Departments of al Local ients of Social Services Departments of Social Services ervices and Non-Profit Organizations \$O \$3,044,128 45,674 \$539,878 \$O 0 Fathers, the Majority of Whom Low-Income Individuals are ients Are Low-Income 1 Work 1,217,057 358 Individuals tunity Passenger Trips Reported trants job placements; 51% of unemploye job retention participants obtain 44% earnings employment; amo ate

is \$260,554

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nd od ram	Job Access/ Reverse Commute	Maryland Apprenticeship & Training Program	Job Service (Wagner —	Veterans' Services — Peyser)	Labor Market Information	Maryland Business Works	MetroTech	Skills-based Training for Employment Promotion	Trade Adjustment Assistance	Unemployment Insurance	W Inve
s of ces ofit ons	Local Departments of Social Services	Department of Labor, Licensing and Regulation	Job Servi	ce Centers	Workforce System Partners	12 Local Workforce Investment Areas	12 Local Workforce Investment Areas	Selected Workforce Investment Areas	Department of Labor, Licensing and Regulation	Dislocated Workers	ן W Inves
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als	1,217,057 Passenger Trips Reported	7,398 Registered Apprentices 2,817 Participating Employers	115,067 Customers 129,506 Job Orders	FY 2002 7,313 Total Applications	N/A	N/A (new program)	To date 3,095 Participants	117 Enrolled	317 Participants	(PY 2003) 259,565 New Claims Filed \$519,000,000 in Benefits	Nui Par PY 2 Adu Disl
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# MARYLAND

GOVERNOR'S WORKFORCE INVESTMENT BOARD

• COLOR	L E G E N D •
PROGRAM TYPE	TARGET POPULATION
Education	Welfare/Social Service Recipients
OccupationalTraining	Persons w/Disabilities
Work Experience	Youth
Remedial and Basic Skills	Employees
Employment	Dislocated Workers
Social Services	Low Income
Full Service	General Public
Assessment Training Placement Support Employer Services	Lacking Basic Skills

The Board acknowledges the leadership of The Reinvestment Fund (TRF) in developing this model to portray workforce services and is grateful for the opportunity to use it on behalf of Maryland.

Please see reverse side for brief program descriptions

#### MARYLAND DEPARTMENT OF AGING (MDoA)

**Senior Employment Program:** Provides subsidized training and unsubsidized placement assistance for a period of up to two years for people who are economically disadvantaged and ages 55 and older.

#### **DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT (DBED)**

Maryland Industrial Training Program (MITP): Provides incentive grants for the development, retention and training of employees in firms locating or expanding their workforces in Maryland.

**Partnership for Workforce Quality (PWQ):** Provides 50/50 matching funds for manufacturing and technology companies with fewer than 500 employees in Maryland to invest in modernization. PWQ's three goals are to improve business competitiveness and worker productivity, upgrade worker skills for new technologies and production processes, and promote employment stability.

#### MARYLAND STATE DEPARTMENT OF EDUCATION (MSDE)

Adult Education and Literacy Services: Provides funding to local programs for adult education and literacy services, including GED instruction, to improve the education and basic skill level of adults to prepare them for employment and self-sufficiency.

**Career and Technology Education (CTE):** Provides leadership, coordination and technical assistance to local school systems and community colleges for the development and improvement of Career and Technology Education programs. "Maintenance of effort" is the amount of non-federal dollars (both local and State) that a local school system (and a community college) reports as its fiscal effort toward CTE programs.

Correctional Education: Provides skill training and education to inmates in Maryland prisons.

**Division of Rehabilitation Services (DORS):** Provides an array of services such as training, employment assistance and assistive technologies to individuals with a physical or mental impairment that presents a substantial impediment to employment.

#### MARYLAND HIGHER EDUCATION COMMISSION (MHEC)

**Community Colleges:** Undergraduate education at 16 institutions. State support includes State aid provided through the Cade formula to community colleges.

**Public Colleges and Universities:** Undergraduate and graduate education at 13 public universities and colleges. Public universities include 11 institutions in the University System of Maryland, Morgan State University, and St. Mary's College of Maryland. State funding includes general funds and contracts.

**Private Career Schools:** This category was unable to be part of the workforce chart this year. Job preparatory, career training offered by 150 privately-owned postsecondary schools. State financial aid is provided through the Tolbert Memorial Grant Program to students of private career schools. The total enrollment for these schools is 29,539. In FY 2003, there were 16,089 graduates and in FY 2002 53% of the graduates obtained training-related employment.

**Non-Public Colleges and Universities:** Undergraduate and graduate education at 27 non-public colleges and universities. State support is provided through the Joseph A. Sellinger Program to 17 of these institutions.

Student Financial Assistance and Institutional Grants: Over 20 State financial aid programs that increase access and affordability for undergraduate/graduate students to attend higher education. Several programs are designed to attract graduate and undergraduate students into workforce shortage areas. Grants to graduate students, higher education institutions and regional centers are designed with different objectives, but all enhance higher education in Maryland.

#### **DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DHCD)**

**Community Development Block Grant (CDBG):** The State distributes competitive Federal HUD funds to local governments in non-urban areas for eligible housing, public infrastructure, public facilities and economic development activities. Economic development activities (25% of the funds) must involve the employment of mostly low and moderate-income persons. These are generally used for loans to businesses for startup or expansion, or for infrastructure grants.

**Community Services Block Grant (CSBG)**: Provides general operating support to Community Action Agencies across the state that serve people at or below 125% of federal poverty guidelines. Agencies provide a variety of services, including employment services, all designed to assist the customer in becoming self-sufficient.

#### **DEPARTMENT OF HUMAN RESOURCES (DHR)**

Food Stamp Employment and Training (FSET) and Able-Bodied Adults Without Dependent Children (ABAWD): Provides training and employment services to qualified food stamp recipients and ABAWD customers.

Child Care/Purchase of Care: Provides vouchers for child care to low-income families to enable them to achieve and maintain economic self-sufficiency.

The Maryland Fatherhood Initiative Grant Program: Provides a variety of services to fathers including parenting skills instruction, education, employment development, and counseling.

Job Access/Reverse Commute (JARC): Creates or expands transportation opportunities for current and former Temporary Cash Assistance (TCA) recipients and other low-income workers.

#### DEPARTMENT OF LABOR, LICENSING AND REGULATION (DLLR)

Maryland Apprenticeship and Training Program: Brings together employers, employer associations, and jointly by management and organized labor to develop apprenticeship programs. Apprentices typically earn 50% of the wage that fully-qualified workers earn.

**Employment Service/Job Service**: Provides a variety of self-services, facilitated self-help services, and staff-assisted services to secure employment. The program is designed to assist all employers seeking employees and people seeking employment.

Veterans' Services: Provides employment services to all veterans, including veterans with service-connected disabilities. Such services include employability and job development, job placement assistance, vocational guidance, training services, referral to supportive services and case management.

Labor Market Information: Provides a wide range of workforce and labor market information that facilitates career decisions, job search, economic development and planning for education and human resources. Users are varied and include, but are not limited to, Workforce Investment Area Directors, and their staffs, employers, educators, as well as economic development organizations.

**Maryland Business Works:** New State program designed to support existing Maryland businesses in the retention and growth of their workforce. It encourages the promotion and creation of additional job opportunities and improves worker retention by increasing the skill level of the existing workforce.

**MetroTech:** D.C. Metropolitan Area workforce development initiative designed to address the hiring needs of employers seeking to fill technology positions in the Information Technology (IT) and Biotechnology (Biotech) fields. MetroTech serves to upgrade the skills of IT/Biotech professionals who have recently been laid-off from their jobs through no fault of their own.

**Skills-based Training for Employment Promotion (STEP):** STEP, which is co-administered with the Governor's Workforce Investment Board, provides skills upgrade training for low-income working parents. Participating employers provide 50% of the training costs and agree to promote their incumbent workers, guarantee benefits and increase their salary after training.

Trade Adjustment Assistance (TAA) Services: TAA provides job training, out-of-state job search assistance, relocation assistance and travel allowance for training to displaced manufacturing workers where the layoff or plant closure is caused by foreign competition.

**Unemployment Insurance:** Provides financial benefits to workers unemployed through no fault of their own. The program is primarily funded through employer and employee contributions. The State determines employer tax rates and collects taxes to fund the benefit outlays. Participant and outcomes information is for Program Year (Federal) 2003 (7/1/02 – 6/30/03).

Work, Not Welfare Tax Credit (the Employment Opportunity Credit (EOC)): Designed to assist welfare recipients in securing employment. It provides a financial incentive in the form of State income tax credits for employers who hire these individuals.

Work Opportunity Tax Credit/Welfare-to-Work Tax Credit: Designed to help individuals, such as welfare/social service recipients, persons with disabilities, youth, and low-income individuals, who have consistently had the most difficulty in securing employment. Employers are given a financial incentive, in the form of Federal income tax credits, for hiring these individuals.

Workforce Investment Act (WIA) Title I: A Federal program that assists adults, youth 14 - 21 years of age and dislocated workers to obtain employment services, assessment, employment assistance, and skills training. Program services are administered through 12 Workforce Investment Areas via One-Stop centers that offer citizens and employers access to publicly funded workforce services. Participant and outcomes information is for Program Year (Federal) 2002 (7/01/01 - 6/30/02). Note: Adult Education, Wagner-Peyser, Perkins Act and Rehabilitation Services are also included in other WIA titles.

#### MARYLAND ASSOCIATION OF COMMUNITY COLLEGES (MACC)

**Technology Enhancement Consortium (TEC)**: Originally entitled the Maryland Applied Information Technology Initiative, Maryland Association of Community Colleges (MAITI MACC), MACC TEC expands the information technology capacity of community colleges. Competitive grant funding will assist in the development of joint marketing, curriculum review, program support in technology, program innovation and the pipeline program, and an effort to strengthen Information Technology instruction at the high school level. Under a separate award, the Association will allocate funding among the community colleges to help integrate information technology into the courses and programs of nursing and allied health programs.



From left to right: Ronald Peterson (President, Johns Hopkins Health System), William Robertson (President and CEO, Adventists HealthCare, Inc.), Emily Stover DeRocco (Assistant Secretary, U.S. Department of Labor, Employment and Training Administration), James Fielder, Jr., Ph.D (Secretary, Maryland Department of Labor, Licensing and Regulation), Kenneth Bancroft (President and CEO, St. Agnes Healthcare), James Hamill (President and CEO, Washington County Health System)

healthcare workers in Maryland. The Summit brought together approximately 160 invitees representing over 650 employers, as well as representatives from State licensing boards, State educational systems, and relevant State agencies. As a result of the Summit, participants were assigned concrete deliverables to advance real change in increasing employment in the healthcare industry.

In the third step of the workforce development process, currently underway, GWIB is followingup with the summit participants and aiding them in the achievement of their stated objectives. The following are current activities of the Healthcare Workforce Initiative:

In January 2004, GWIB submitted a grant proposal to the U.S. Department of Labor, Employment and Training Administration, Business Relations Group requesting funding for the Maryland Healthcare Workforce Initiative, which, if fully funded, will provide funds for a healthcare workforce coordinator and a healthcare industry analyst to manage the implementation of Summit strategies. In addition, the proposal provides funding for a media campaign promoting health careers, scholarships to provide incentive for registered nurses to obtain teaching certification and incumbent healthcare workers to become Registered Nurses, and funds to expand the Maryland Business Works program and implement a Literacy and Numeracy program to improve the basic skills of entry-level workers.

- ► GWIB is currently in discussions with the U.S. Department of Labor requesting technical assistance to create an apprenticeship Career Lattice program that will allow Certified Nursing Assistants to become Registered Nurses.
- The Maryland Higher Education Commission and the Department of Labor, Licensing and Regulation have recently released. "Maryland's Top Demand Healthcare Occupations - Projected Demand and Reported Supply." This report outlines the top 25 healthcare occupations, what credentials are required for those occupations, and where those credentials can be obtained. This report forms the baseline data for measuring the Healthcare Workforce Initiative's progress.

#### Workforce Information Publications

The Board understands the importance of timely, accurate workforce information to businesses, job seekers, and workforce system professionals. In response, it makes available an assortment of workforce information products, all available on the Board's website, *www.mdworkforce.com*.

#### **EARNINGS TREND ANALYSIS**

The *Earnings Trend Analysis* report, which the Board commissioned from University of Baltimore's Jacob France Institute, uses wage information to map earnings over time of participants in the State's occupational training programs, comparing wages before and after they entered the programs. The analysis shows increased earnings of the participants in each occupational training program but cautions the reader not to compare programs by earnings alone because each program has very different customers, goals, and funding. The report instead should be used to evaluate the occupational training programs together as a whole.

#### WORKFORCE INFORMATION FACT SHEETS

The Board's quarterly *Workforce Information Fact Sheets* give readers a quick look at the current economy in Maryland including unemployment rate of the Nation, the State, and Maryland counties, State employment by industry, and State leading economic indices. Each report also highlights facts about a different selected industry or area. These fact sheets are produced in an easy-to-read format for anyone who lacks the time for longer, more detailed reports.

#### **DIRECTORY OF WORKFORCE INFORMATION**

The Board also publishes each year a *Directory of Workforce Information* that lists much of the data available from our workforce partners. Each listing contains a description of the data, the latest time period for which they are available, and contact information. This report is on our website, *www.mdworkforce.com*, with usable links to each data source.

#### Governor's Workforce Investment Board Funding

#### ANNUAL BUDGET

Below is a comparison of GWIB's annual budget for FY 2002, FY 2003, FY 2004, proposed FY 2005. It includes a breakdown of the annual budget by category and number of staff positions.

	FY 2002 Budget	FY 2003 Budget	FY 2004 Budget	FY 2005 Budget (Proposed)
Staff Postitions	12	9	5	5
Salaries & Fringe	\$653,625	\$617,896	\$580,170	\$474,597
Communications	\$17,960	\$22,112	\$13,534	\$13,930
Travel	\$13,241	\$14,820	\$13,157	\$11,324
Contractual Services	\$139,856	\$77,418	\$37,253	\$61,743
Office Supplies	\$21,642	\$14,026	\$10,482	\$11,157
Office Equipment	\$8,577	\$4,067	\$2,958	\$1,803
Facility & Associations	\$31,746	\$28,358	\$28,067	\$4,564
TOTAL	\$886,647	\$778,697	\$685,621	\$579,118

#### **GRANTS RECEIVED**

In order to carry out the Board's initiatives in 2003, it was necessary to receive funds from sources other than the annual budget. The following is a list of grants received in 2003:

Grant Name	Project	Grantor	Award
Veterans Workforce Investment Program grant	Healthcare Summit	USDOL/VETS	\$24,900
State Youth Council grant	Youth Conference	Regional DOL	\$5,000
Employment and Training grant	Healthcare Process	USDOL/ETA	\$24,900
Community Audit grant (partial)	Healthcare Summit	USDOL	\$30,000
Healthcare Summit Process	Healthcare Summit	Private Companies	\$17,750

#### **Board Guidance to Local Areas**

#### THE SKILLS-BASED TRAINING FOR EMPLOYMENT PROMOTION (STEP) PROGRAM UPDATE

STEP, a competitive grants program jointly administered by the Governor's Workforce Investment Board and the Department of Labor, Licensing and Regulation, is now in its third year of funding. It has awarded grants over the past three years to four Local Workforce Investment Boards. It continues to meet its goal of training low-income working parents that will enable them to advance on a new career path and helps employers fill critical jobs. Here are some highlights:

- ▶ In Baltimore City, for the first year of funding, 89 of 92 completers were promoted into positions directly related to their occupational training.
- In Montgomery County, 100 percent of the individual component participants that were placed following training completion are still employed in their jobs. Most were unemployed prior to STEP training and are now making an average starting salary of \$25,000 per year.
- In Prince George's County, participants say they would not have been able to get training without the STEP program.
- All but one of the completers in Southern Maryland have been promoted and placed in positions making between \$1.25 and \$3.20 more per hour than before training.

#### FEDERAL WORKFORCE INVESTMENT ACT PERFORMANCE INCENTIVE GRANT AWARD

Maryland was eligible for a Workforce Investment Act Federal incentive grant because the State's Title I (employment and training) and Adult Education and Career and Technology Education programs exceeded their performance levels for the period July 1, 2001 to June 30, 2002. Maryland is the only state in the Mid-Atlantic region to do so.

The Board requested proposals for training programs utilizing these funds. All of the proposals received were reviewed and evaluated by the Performance Measures Workgroup of the Board to assure that they were innovative, sustainable, and that they would strengthen the workforce infrastructure for the clients served. The Workgroup received over 46 proposals, many of which were quite promising. After careful consideration the following proposals were chosen to be the best and were recommended to and approved by the Executive Committee of the Board.

Project Name	Organization	Award
Maryland Business Works (Incumbent Worker Training)	Maryland Department of Labor, Licensing and Regulation	\$1,000,000
System-Wide Capacity Building	Maryland Institute for Employment and Training Professionals (MIETP)	\$142,175
Web Enabled GED Services	Maryland State Department of Education (MSDE)	\$475,000
Healthcare Program Framework (2+2+2)	Maryland State Department of Education (MSDE)	\$270,000
Virtual One-Stop Service Tracking System	Lower Shore Workforce Alliance	\$57,670

#### THE CHESAPEAKE WORKFORCE ALLIANCE COMMUNITY AUDIT PROCESS

The Governor's Workforce Investment Board and the Chesapeake Workforce Alliance (consisting of the Susquehanna, Upper Shore, Lower Shore and Southern Maryland workforce investment areas) collaborated with stakeholders on a State-led, multi-area Community Audit designed to identify and analyze critical workforce needs and devise workforce strategies for the economies. The Audit focused on five industry clusters: Agriculture, Construction, Healthcare, High Technology and Tourism, which were selected by the Chesapeake Workforce Alliance. The methodology included a survey of businesses in the selected industries in the four areas, business visitations, focus groups in the four areas, as well as Statewide focus groups for each of the industries. The project was made possible and funded by a two-year grant of \$149,000 issued by the Department of Labor's Employment and Training Administration in April 2001. \$30,000 of the grant was used to fund the Governor's Healthcare Workforce Summit.

The report was completed in December 2003. Overall, at least 40 percent of the responding firms within each region reported that they currently face workforce or labor market problems in their business, which limit their ability to achieve their business objectives. The major issue identified by employers to have the greatest impact on their business was basic skills (including life skills and work ethic) and training, followed by worker retention and a lack of workers. Most of the participating businesses expressed a strong interest in working with other businesses within their region to form skills alliances and additionally to work with the Local Workforce Investment Board in their area to address the issue of workforce shortages.

#### STATE YOUTH COUNCIL

The Maryland State Youth Council has over 50 members consisting of:

From the local workforce investment boards:

- Chair of the local youth council
- ▶ Lead staff of the local youth council, and
- ► The executive director

Other members:

- Representatives of the appropriate public agencies
- > Youth service providers, and
- Other interested parties

The mission of the State Youth council is to provide technical assistance to the local youth councils, develop youth policy, and coordinate existing youth organizations. The State Youth council meets quarterly each year. This year, the State Youth Council also hosted a State Youth Conference in September in which there were over 60 participants. The theme of the State Youth Conference was Building Bridges: Conversations to Create Solutions to emphasize that many of the answers they seek lie within each other. There were four breakout sessions during the conference in which participants led discussions on each topic and the group as a whole offered concerns and best practices. The four topics were: how to get employers involved, how to understand and use the Federal performance measures, transitional services for young ex-offenders, and how to get parents engaged. In addition, the conference hosted presenters that spoke on the latest Workforce Investment Act modifications and aligning youth organizations. There was also a panel of youth that discussed what youth expect from professional youth providers. The conference was a chance for local youth councils to learn from one another and discover that, whatever their concerns, there are others that both share their concerns and are able to help. In the future, the youth councils will be able to call on each other for solutions and support.

The Governor's Workforce Investment Board has moved. The new address information is

> 1100 North Eutaw Street, Room 108 Baltimore, MD 21201

> > Phone: 410-767-2408 Fax: 410-383-6732

E-mail addresses and website, www.mdworkforce.com, remain the same.

# APPENDICES

MARYLAND GOVERNOR'S WORKFORCE INVESTMENT BOARD

#### **Appendix A:**

#### 2003 Governor's Workforce Investment Board Members

The Governor's Workforce Investment Board is currently being reconstituted. The following is the Board membership as of January 2004

Hon. Robert L. Ehrlich, Jr. *Governor* 

Hon. Michael S. Steele Lt. Governor

Gino J. Gemignani, Jr. Board Chair Senior Vice President The Whiting-Turner Contracting Company

Craig Bancroft Vice President HMS Insurance Associates

Leo J. Blackwell Regional Sales Manager Cisco Systems, Inc.

**Calvin W. Burnett, Ph.D.** Acting Secretary MD Higher Education Commission

Mary Ann Cricchio Co-owner Da Mimmo Finest Italian Cuisine

James D. Fielder, Jr., Ph.D. Secretary Dept. of Labor, Licensing and Regulation

M. Carrie Forrest Vice President, Human Resources Calvert Memorial Hospital

Kevin M. Garvey Human Resources United Parcel Service

**Toby Gordon, Sc.D.** Vice President Planning and Marketing The Johns Hopkins Hospital

Nancy S. Grasmick, Ph.D. State Superintendent of Schools MD State Department of Education Hon. Leo Green State Senator

Dana M. Jones President and CEO Southern Maryland Tri-County Community Action Committee

Hon. Robert H. Kittleman State Senator

George Littrell, III Vice President and Senior Financial Consultant Merrill Lynch

Fred D. Mason, Jr. President Maryland and D.C. AFL-CIO Unions

**Christopher J. McCabe** Secretary Dept. of Human Resources

Eleanor McKay Chief Executive Officer Neirmann Weeks, Co., Inc.

Sylvester E. McKay, Ph.D. President

Baltimore City Community College Kathleen McKirchy Director, Community Services

Metro Washington Council, AFL-CIO

Aris Melissaratos Secretary Dept. of Business and Economic Development

**R. Wayne Moore** Director of Corporate Relations Maryland Kaplan Higher Education Marion W. Pines Senior Fellow The Johns Hopkins University Institute for Policy Studies

Jerome A. Ratliffe Vice President, Greater Washington Suntrust Bank

William G. Robertson President and Chief Executive Officer Adventist HealthCare, Inc.

Jean W. Roesser Secretary Maryland Department of Aging

Martha A. Smith, Ph.D. President Anne Arundel Community College

Carl William Struever President Struever Brothers, Eccles & Rouse, Inc.

Margaret A. Thomas President and CEO Goodwill Industries of the Chesapeake, Inc.

Brenda K. Woodsmall President Woodsmall Human Resources Consulting

Karen Sitnick President Maryland Workforce Development Association Director Baltimore City Office of Employment Development

The following are Board members whose terms expired in 2003. We thank them for their service to the Board and the State of Maryland.

Wayne A. Mills Past Chair New Millenium Ventures

Patricia A. Ferrill Past Vice Chair and Past Interim Chair IBM Global Services

Charles R. Alfred Region 8 – UAW

Joseph Anderson DynCorp James G. Cassady Northrop Grumman Corporation

Alan Cheung, Pharm.D. Cell Works, Inc.

Ernest R. Grecco AFL-CIO Unions

Hon. Kerry Hill State Delegate Norma Lea LaParle Frank A. LaParle Dental Corp.

Vincent "Cap" Mona The Mona Group

Hon. Janet S. Owens County Executive of Anne Arundel County

John Q. Porter, Esq. Montgomery County Public Schools

#### Appendix B: Local Workforce Investment Board Information

The following is the contact information for the twelve Local Workforce Investment Boards as of January 2004.

#### ANNE ARUNDEL COUNTY

877 Baltimore & Annapolis Blvd. Suite 305 Severna Park, Maryland 21146 (410) 315-9680 www.aawdc.org

Alvin Smith, Chair Anne Arundel Workforce Development Corporation

Andy Moser, Executive Director Anne Arundel Workforce Development Corporation

#### **BALTIMORE CITY**

417 East Fayette Street Suite 468 Baltimore, Maryland 21202 (410) 396-1910 www.oedworks.com

Ron Peterson, Chair Johns Hopkins Health Systems

Karen Sitnick, Director Mayor's Office of Employment Development

#### BALTIMORE COUNTY

901 Dulaney Valley Road Dulaney Center 2 Suite 126 Towson, Maryland 21204 (410) 887-4355 www.bc-works.com

David Uhlfelder, Chair Baltimore County Workforce Development Council

Barry F. Williams, Director Baltimore County Office of Employment and Training

#### FREDERICK COUNTY

5340 Spectrum Drive Suite A Frederick, Maryland 21703 (301) 846-2255 www.co.frederick.md.us/jta

Michael C. O'Connor, Chair Adelphia

Laurie Holden, Director Frederick County Job Training Agency

#### Lower Shore

(Somerset, Wicomico, and Worcester) 917 Mt. Hermon Road Suite 10 Salisbury, Maryland 21804 (410) 341-3835 www.lswa.org

David Donohoe, Chair Lower Shore Workforce Alliance

**B.J. Corbin, Executive Director** Lower Shore Workforce Alliance One-Stop Job Market

#### MID MARYLAND

(Carroll and Howard) 10650 Hickory Ridge Road Suite 200 Columbia, Maryland 21044 (410) 313-7394 www.co.ho.md.us

Ronald Putz, Chair Ronca Consulting

Dorothy Lehman, Director Howard County Employment and Training

#### MONTGOMERY COUNTY

Montgomery County Department of Economic Development 11 North Washington Street Suite 250 Rockville, Maryland 20850 (240) 777-2007 www.montgomeryworks.com

Dewey Thomas, Jr., Chair Montgomery County Division of Workforce Investment Services

Eric M. Seleznow, Director Montgomery County Division of Workforce Investment Services

#### PRINCE GEORGE'S COUNTY

1802 Brightseat Road Landover, Maryland 20785 (301) 386-5522 www.pgworkforce.org

**Roy Layne, Chair** Walker and Company, LLP

Joseph Puhalla, President Prince George's Workforce Services Corporation

#### Southern Maryland

(Calvert, Charles, and St. Mary's) 2670 Crain Highway Suite 207 Smallwood Building Waldorf, Maryland 20601 (301) 885-0020 www.somdworks.org

David C. Vollmer, Chair Planned Systems International

Ellen Flowers-Fields, Executive Director Southern Maryland Works, Inc.

#### Susquehanna Region

(Cecil and Harford) 410 Girard Street Havre de Grace, Maryland 21078 (410) 575-7248 www.swnetwork.org

Barney Michel, President Susquehanna Workforce Network

Bruce England, Executive Director Susquehanna Workforce Network

#### **UPPER SHORE**

(Caroline, Dorchester, Kent, Queen Anne's & Talbot) P.O. Box 8 Wye Mills, Maryland 21679 (410) 822-1716 www.uswib.org

Hoyt Heinmuller, Chair Upper Shore Workforce Investment Board

Dan McDermott, Executive Director Upper Shore Workforce Investment Board

#### WESTERN MARYAND

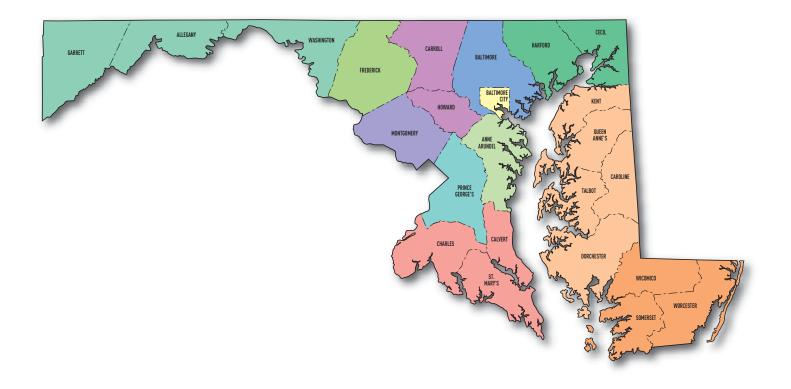
(Washington, Allegany, and Garrett) P.O. Box 980 33 W. Washington Street 4th Floor Hagerstown, Maryland 21740 (301) 791-3076 www.westernmarylandconsortium.org

Jim Kesselring, Chair Garrett Container Systems

Peter P. Thomas, Executive Director Western Maryland Consortium



# Appendix C: Local Workforce Investment Areas



•COLOR LEGEND•					
Western Maryland	Baltimore County				
Frederick County	Baltimore City				
Montgomery County	Susquehanna				
Mid Maryland	Upper Shore				
Anne Arundel County	Lower Shore				
Prince George's County	Southern Maryland				

# Governor's Workforce Investment Board

1100 North Eutaw Street, Room 108 Baltimore, MD 21201

Phone: 410-767-2408 FAX: 410-383-6732

Website: www.mdworkforce.com





