Closing the Skills Gap

Work-Force Development Cycle
< Closing the Gap >

1-Labour Supply

A: Schools & Training
B: New Canadians
C: Other jobseekers

8-Labour Demand

X: New Sectors
Y: Expanding
Z: Contracting

2 Matching
Interest/ capabilities / jobs

3 Training
Access & support

4 Recruitment
Hiring once trained

5 Probation
Employer & Candidate / OJT

6 Career Progress
Skill retention & upgrading.

7 Job Departure
Transition for any reason

Measures
- Process
- Impact
1. Executive Summary

The Guelph Chamber of Commerce (GCC) has a long history of connecting education and business. In the recent past, chairs and executive members have included representatives from school boards and the University of Guelph and Conestoga College. The education sector is Guelph’s second largest by employment, with a strong reliance between business and education to shape programs according to business needs.

The GCC Work Force Development Committee recognises the skills gap and need for a strong and dynamic link between business and education. The committee has representatives not only from industrial, educational and training organisations. It also represents trade and professional associations, local government, and organisations that provide support services for all job seekers: students at all educational levels, new Canadians, and workers in transition for any reason. Individual Committee members themselves are engaged in a wide variety of outreach activities that engage job-seekers, industry and the education and training community.

The GCC Industrial Committee also provides input on workforce needs. Conestoga College, and the University of Guelph sit on both Industrial and Work Force Development Committees. Both school boards sit on the Work Force Development Committee. The GCC was a founding member of the local Career Education Council, which focuses on grade 8 students through to high school.

The challenge facing Guelph-Wellington Work Force Development is to co-ordinate, track and assess the progress and impact of individual initiatives and to involve all stakeholders to the benefit of community well-being. A broad interactive scope is needed to envisage the whole Work Force Development picture for the community, to identify gaps, agree on priorities, focus limited community resources and avoid duplication.

To facilitate this, the GCC Work Force Development Committee has created a Work Force Development model to describe the entire labour supply and demand cycle. The Committee now uses this model to focus goals and assess its activities while considering the broader economic and Work Force Development goals of the surrounding region.
2. Project Origin

The Work Force Development (WFD) Committee was formed in early 2009, in response to the global recession taking hold in our community. The first committee project created the Career Toolbox: a directory of funded support agencies involved in career development in Guelph Wellington. For this, a matrix listed the services provided, including assessment, training, counselling, and job placements. In 2010 - 2011 the WFD Committee focused efforts on implementing Canada’s Essential Skills testing and TOWES evaluations as a baseline for measuring the effectiveness of our workforce in Reading, Numeracy and Document Use. Linamar, a large manufacturing firm, launched a pilot project with Conestoga College as a result of the committee work, and TOWES level 3 has become a baseline for much of Guelph’s workforce. In 2012 the WFD created a landing page for grouping co-op programs from high school, college, and university to promote hiring students from the three streams of co-op programs. Also in 2011 and 2012 the Guelph Chamber worked with the Ontario Chamber to provide support for newcomers through the Global Experience@Work project. The current WFD cycle project is to provide context for this work, and directions for future priorities.

In 2012 and 2013 Guelph posted one of the lowest unemployment rates in Canada for several months, placing stress on the local labour supply. In this same period Guelph saw a decline in the total labour force with the loss of 3,200 workers and unemployment increasing by 1,400 workers to 6,100 of the 81,500 labour force (Source: Statistics Canada, Labour Force Survey). The combination of the early signs of the retirement wave hitting, and the growing mismatch of skills required and skills available have the WFD committee looking more closely at the connections between educational choices and options and workforce needs - especially for manufacturing skills and the training and employment of youth.

Work Force Development can be seen as a multi-year cycle comprising diverse interests, activities, policies, services and programs that fluctuate over time in response to constraints and opportunities at a regional, national and global level. The need of any small community is, within this fluctuating global environment, to predict, create and retain a workforce that is responsive to the local needs and challenges of individuals, business, industry and government.

A major challenge is that different stakeholders see Work Force Development differently.

- **Communities and economic developers** work to benefit sustainable growth.
- **Education and training institutions** develop programs for specific skills and groups (students, new Canadians, older workers, special needs) to meet industry and community needs.
- **Social services** provide programs to support individual employment and groups.
- **Employers** want the skills their business or industry requires.
- **Individuals** seek gainful, secure work to match their capabilities & interests.
- **Technology change**: plays a critical role in all of the above.

Among all these stakeholder categories, separately and together, different groups, associations, committees, agencies, organisations and even individuals invest considerable time and effort.

The challenge for the WFD committee has been to achieve consensus and to balance and co-ordinate the diverse range of WFD interests and initiatives both within the committee and among other organisations in the community. These initiatives must co-exist productively, make efficient use of limited community resources, and be responsive to all stakeholders. Achieving this requires common awareness of emerging external and internal challenges as well as the efforts of others in the community. Duplication needs to be avoided. Communities need to track their investment and measure the degree of success so as to learn lessons and track progress.

The GCC WFD committee has sixteen members representing a wide cross section of stakeholders: business, industry, educators (high school, community college, university), service providers, municipal planners, and professional associations. At short monthly meetings held ten times each
year, members share news and views about their own or others WFD related activities. Committee members recognise their limited ability to contribute time outside their regular work to GCC and other Work Force Development activities. Hence, the role largely adopted by the committee is to monitor activities in the community (in which many committee members are already involved) rather than undertake initiatives of its own. In short, to monitor not to take action.

Even this limited monitoring can be demanding. The past year has seen a dozen long complex provincial, federal, and regional reports tabled for review. There may be a couple of dozen workshops, conferences, lists of objectives or shortfalls, annual reports, and issues tabled for consideration by other committees. Even getting to know, in any detail, who does what on the committee and where it all fits, can be a challenge. Making sense of it all to determine a way ahead, which reports to read, what priorities to address, who to talk to, and whether any of it was working, has become a challenge requiring more structure and the need choose and focus on key goals.

This project arose, therefore, from the desire of several members of the WFD committee to better envision the Work Force Development challenge as a whole, to set goals for the committee and to monitor those goals at each meeting in a more coherent way by using a simple dashboard. Those members formed a sub-committee of four. A search for a pre-existing WFD model proving elusive, the sub-committee drew up its own descriptive model of a community Work Force Development cycle which was then reviewed and accepted by the WFD committee. This project is built on this consultative process.

GCC Work Force Development Committee

<table>
<thead>
<tr>
<th>Name</th>
<th>Company/Affiliation</th>
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<tbody>
<tr>
<td>Ron Aimola - Chair</td>
<td>Ontario Youth Apprenticeship Program (OYAP)</td>
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<td>Lori Arsenault</td>
<td>Career Education Council</td>
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<td>Lynne Bard</td>
<td>Beyond Rewards</td>
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<td>Holly Conway</td>
<td>Wellington Catholic District School Board</td>
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<tr>
<td>Gerald Ford</td>
<td>Cambridge Solutions Inc.</td>
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<td>Terry Gomez</td>
<td>Professional Engineers - Grand River Chapter</td>
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<tr>
<td>Brad Labadie</td>
<td>Workforce Planning Board of Waterloo Wellington</td>
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<td>Jim Mairs</td>
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<td>Sheila McGlashan</td>
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<td>Shaun Scott</td>
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<td>Terri Starr</td>
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<td>Aaron Stauch</td>
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<td>Bob Webb</td>
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<td>Jane Wielhorski</td>
<td>Guelph Chamber of Commerce</td>
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3. Project Parameters

In January 2013 the Ontario Chamber of Commerce Regional Economic Leadership series identified five priority areas for Guelph Wellington: 1) Regional identity, 2) Workforce development, 3) Regional Transportation, 4) Support small business, and 5) Facilitate new business development. The GCC WFD committee took on the challenge for a regional workforce development strategy to report back to the next Regional Economic Summit in January 2014.

The goal of the project was to help with career planning for youth, as well as envision and describe the WFD cycle at various stages to look at the inputs and impacts the GCC could have by linking its education and business members as well as other stakeholders. The career trajectory used to create the cycle was that of a high school student but the goal was to encompass entry and the subsequent trajectory of any job-seeker at any transition point in their work-life cycle. The intent was to embrace the needs of the community as a whole: youth, those entering or returning to the workforce, transitioning from other careers, newcomers to Canada, people with accessibility issues, and others.

The WFD cycle (see illustration) starts by establishing the potential labour pool – the supply side. This pool has three components: students (high school, college, university); people new to Canada; other job-seekers. On the other side of the ledger is the demand side, as new types of business are created, existing business expands, or demand for certain types of jobs declines as the market dictates. Connecting supply and demand are six interrelated processes:

- **Job Matching**
  - Supply of likely jobs (at home or away, over/under supply) for matches after training.
  - Assessment of individual capabilities and interests.
  - Awareness of types of work likely to match individual capabilities and interests.

- **Skill Development**
  - Supply of education and training for both generic (soft) skills and work related knowledge / skills.
  - Supply of pre-qualification training or education for entry to training.
  - Support for suitable training or education (funding, parental)

- **Recruitment to Satisfaction of Candidates and Employers.**
  - Awareness of job opportunities in location of interest.
  - Advertising by employers (job titles, terminology).
  - Selection process by employers (small and large).

- **Probation or Evaluation Phase for new hires.**
  - Employers: Satisfaction with soft and trade skills?
  - Candidates: Expectations met? Satisfaction with On-the-Job training?
  - Training organisations: Feedback about graduate preparedness?

- **Career Progression**
  - Retention of existing skills
  - Upgrading of skills for technology change
  - Acquisition of new skills (supervision, project management, estimating).

- **Departure**
  - Job change for any reason (relocate, technology change, advancement, job loss, illness).

The GCC has or is considering several programs and events to help local businesses manage each of these phases, in conjunction with local educators, as well as peer to peer discussions.
4. Project Impact

The overall impact of this project has been to increase awareness of community links involved in WFD and emphasise the need for good data to prioritise, track progress and assess the impact of WFD initiatives. WFD involves more stakeholders than solely educators and industry. Wider awareness of WFD processes and linkages to all stakeholders are essential to comprehension and resolution of the skills gap. This WFD model is already showing its value.

Modelling the whole WFD cycle for balancing labour supply and demand gives us the ability to inventory community resources, extend the work of existing Career Toolbox, Global Experience@Work, Co-op Landing Page, and Essential Skills development projects. Some other education related GCC initiatives:

- ASQ “Six Sigma Black Belt” quality training – 14 graduates in 5 businesses with IRAP funding.
- Manufacturing Leadership Certification Program – 8 graduates through Conestoga College.
- GCC Millennium Scholarship: school students entering skilled trades or technology - $1000/year.
- “Bridging the Gap” – to help internationally trained professionals to network - with Lutherwood employment services and the Ontario Chamber of Commerce.
- University Co-op student profiling 3,900 businesses in 9 sectors in Guelph Wellington.
- University of Guelph Centre for Business and Social Entrepreneurship projects at GCC offices.

The flow chart depicting the WFD cycle not only helps identify educator / industry successes such as these but also helps identify parts of the process that require attention. Some examples:

- **WFD Committee Management**
  - Identifying gaps and setting priorities. Tracking progress.
  - Balancing membership. Do committee “champions” cover every part of the WFD cycle.
  - Meetings agenda, dashboard and minutes – what focus on and how to collate discussion.

- **Matching both capabilities and interests to training and later job opportunities**
  - Capabilities: probability of successful graduation from skills training.
  - Interests: probability that graduates will find the work for which trained acceptable to them.
  - Wider awareness among students and parents of the range of job opportunities and trends.

- **Timely local data to balance labour supply and demand**
  - Anticipate fluctuations to avoid over/under supply by training programs.
  - Improved parent / student awareness when make education choices that may last years.

- **Success of training/recruiting process. Need for On the Job Training**
  - More widespread awareness in local industry of best recruiting and training practices
  - Feedback to trainers by employers / new hires about gaps in skills training programs.

- **Career Progression**
  - Skill retention and upgrading as new skills are needed for evolving technology.
  - Acquisition of soft and supervisory, mentoring and instructional skills.

- **Job Departure**
  - Succession planning for coming skills gaps.
  - Retraining after job loss. Retention of retirees with critical skills as mentors / instructors.

Using the WFD cycle during structured break out groups with the entire committee, the first impact has been to identify WFD strengths and gaps and to focus, combine and delimit committee priorities.

1. Measure the WFD activity process and impact using suitable baseline data.
2. Foster skilled trades (**Current focus to be on manufacturing**).
3. Match individual skills and vocational interests with training programs, current/future industry needs and job opportunities. (**Current focus to be on youth, new Canadians, and manufacturing**).
4. Provide accessibility for special needs and retention of older workers for priorities #2 and #3.

The ultimate objective is to balance supply and demand, and to react to the present reduction in the labour force while bringing unemployment back to less than the post-recession level of 4.5%. This will be done by improving both matching and training programs geared towards connecting education and stakeholder awareness more directly with local labour market needs and fluctuations.
5. Project Transferability

As a template for evaluating progress in key areas of work force development this model of the WFD cycle should apply to any size of community or industry and business mix. Key to its development and use is a strong link between education, business, and the economic development department of local government. The balance and focus may change for other communities but the cycle and the need to track, measure and manage its parts effectively will be common to all. This model would need tailoring of the data and measures used and the priorities chosen. Any community engaged in WFD would benefit by using this model to support their choices and envisage work force development for their own community.

The project is generic in nature, and has recently formed the basis for connecting existing work of the Chamber of Commerce with other WFD work in the community. Priorities for the coming year flow from the information gathered on each part of the Work Force Development cycle.

A current priority is to inventory supply and demand using information from Chamber databases as well as Workforce Planning Boards and other similar organizations. Establishing measures and impacts for each part of the WFD cycle is now part of the work to be done. This will lead to gap analysis and help set priorities for closing the skills gaps in this community.

6. Why Choose this Project?

Connecting with Educators on the Skills Gap using the WFD flow chart gives the Guelph Chamber of Commerce Work Force Development Committee a common context and discussion tool. This aids setting priorities for the linkages and interactions needed in local communities, schools, and businesses.

In our experience, there are already multiple linkages between industry and educator, though many go unremarked. However, again in our experience the need is not so much for more such linkages but they should be better defined so that they can be supported and fitted within the overall long term WFD cycle.

There needs to be a more comprehensive consideration and co-ordination of the needs and contributions of all stakeholders in WFD not just particular employers and particular educational institutions. This includes students, trainees, parents, teachers, counsellors, employers, trade associations, ethno-cultural communities, support services, and all job seekers throughout the work life cycle. WFD cycle management should be based on good data (much is already available) and good initiatives (many are already being undertaken) that link the various WFD components and track and assess progress and impact.

Local information highlighting activities and measuring results for each part of the WFD cycle can then be made available on line for all stakeholders. Ultimately this will help with knowledge transfer and understanding of the many excellent efforts currently being undertaken and avoid duplication for new initiatives.

This is the intent of this project for one typical Canadian community. If we can achieve our goals, we can benefit our own community. If we can pass on lessons learned – positive or negative - then others may also benefit. Being among the winners of this competition will help share these ideas and the lessons learned more widely among Canadian communities facing similar challenges.