

Ramsey County Workforce Investment Board  
**Market Trends and Oversight Committee**

October 8, 2010  
**Minutes**

**WIB Members Present**

Elizabeth Campbell  
Amy Filice  
Trixie Golberg  
Janet Ludden  
Paul Nelson  
Jim Schultz  
Joe Stratig  
Dan Strittmater

**Members Absent**

Toni Carter  
Joe Crowe EA  
Lee Helgen EA  
Dennis Johnson  
Barb Mednick EA

**Staff/Guests Present**

Debra Bultnick, DEED  
Mary Jo Gardner, WIB CEO  
Doug Hubbard, WIB Member  
Paul Huot, FWIB Member  
Jaime Nolan, MPMA  
Kate Raleigh, WIB Staff  
Jim Zentner, Workforce Solutions

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**Call to Order**

Dan Strittmater called the meeting to order at 10:04 a.m.

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**Approve September Market Trends and Oversight Committee Minutes**

**Motion** made by Jim Schultz with second by Janet Ludden to approve the September minutes as presented.

**Motion carried.**

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**Updates**

Healthcare Initiative

Students completed coursework at the end of June, with 13 students taking the national certification exam in July and eight retaking the test in August. The Healthcare Initiative partners received a second FastTRAC grant to continue the initiative. The next phase will go through the credit-bearing side of Saint Paul College and will include one ABE-integrated class and one ABE-supported class.

RENEW

WIB staff has completed quarter one work for RENEW and is working on accomplishing quarter two goals. Activities have included establishing a database for business information and conducting a preliminary environmental scan.

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**Industry Workforce Focus: Manufacturing**

This committee has decided to do a more thorough scan of the industries that seem to fit as WIB priorities by hearing from industry experts. Last month the committee focused on Healthcare, this month the focus is Manufacturing, and next month the focus will be Financial Services. Industry experts at this meeting included Paul Huot, Huot Manufacturing, Jaime Nolan, MN Precision Manufacturing Association (MPMA), Deb Bultnick, DEED Manufacturing Industry Specialist, and Doug Hubbard, Custom Desk. Each guest discussed the industry and its needs and challenges from their perspective.

Paul Huot, Huot Manufacturing- Sheet Metal-

- Hiring is a concern for employers because of the cost of taxes and healthcare in the still-recovering economy.
- The industry seems to be picking up and manufacturers are utilizing temporary help for now.
- Employers are looking for job seekers with skills in machining but they are not finding applicants with the skills set.
- Some openings in sheet metal have remained open for months because there are not skilled individuals to apply for the positions.
- There are many applicants in manufacturing that have low or no skills.
- Manufacturers have been hiring less-than-ideal candidates and then training them internally.

- Paul would be very interested in restarting the Metropolitan Manufacturing Sector Initiative with a wider base of employers involved.
- In response to a question of where the skills gap lies with job seekers, Paul indicated that employer expectations are often higher than what training institutions are preparing students for. Employers are looking for high-level employees.
- There is a very wide range of salaries in sheet metal, from \$22-25k for setup and \$70k+ for an engineer.

#### Jaime Nolan, MPMA-

- Jaime has heard that students come out of school lacking the skills they need for employment.
- It seems that Dislocated Workers aren't pursuing training in this field.
- Some employees/jobseekers possess the technical skills to work in the industry but lack soft skills such as a good work attitude and an ability to show up on time.
- Some training facilities do not have up-to-date equipment to train on.
- There is a bad image of the industry that employers are trying to overcome- the industry is a lot more high tech than it was in the past. Parents often don't want their kids entering the field.
- Employers are still gun shy about hiring and are utilizing temporary workers.
- Some colleges are closing their programs in manufacturing, thus ending many employers' channel for employees. In response to the question of why programs are closing, Jaime cited the low interest from students and the high cost of manufacturing programs.
- While there may be shorter programs for manufacturing, generally programs are two or more years and end in a degree.
- Many employers running shops through third shift had to cut this shift back with the declining economy.
  - o It was suggested that employer and education work together to allow educational institutions to utilize employers' shop equipment when it isn't being used by the shops. Jaime said this has been discussed but there seem to be issues in connecting education and business and businesses aren't jumping at the opportunity to share their equipment.
- MPMA meets with manufacturing educators once a quarter to discuss marketing tools to pique students' interest in the industry.
- The routes for getting in to manufacturing include traditional training in school, on the job training, and programs like MPowered.
- No Child Left Behind has severely limited the number of electives students can take in high schools; previously, students were able to take shop class and industrial technology but they don't have room in their schedules anymore with all of the academic requirements.
  - o Project Lead the Way in Middle Schools has helped somewhat with this, though the program seems to be more effective in outstate MN than in the metro area.
- People under the age of 18 aren't allowed to operate shop machinery, making it harder to expose youth to manufacturing careers.

#### Doug Hubbard, Custom Desk- Furniture Manufacturing/Woodworking-

- Some manufacturers said the way out of employment issues was to buy better equipment to improve production and efficiency. This solution creates a higher need for skilled employees who are able to use and maintain the better equipment, and a need to keep the equipment running 24/7.
- There are jobseekers who are interested in the field, but they do not have the skills or understanding of what the industry really entails.
- Smaller employers (those with about 5-10 employees) may become overwhelmed by a large job, though they cannot hire more workers to accommodate this job because the job wouldn't exist after the large project was completed. With small manufacturers it is feast and famine- there is either very little to do or an overwhelming amount of work.
- Some manufacturers are outsourcing work to smaller shops or shops with better equipment.
- Doug indicated he is also seeing a skills gap, but at a lower level. Students are not coming out of high school prepared for this work anymore. He experiences times when he can find qualified applicants but there is not a sufficient workload to use them, and other times there is a lot of work to be done, but he cannot find qualified employees.
- Employers have to be very lean with all aspects of their business.

- Suppliers aren't maintaining inventories like they were before, so it takes manufacturers longer to get the materials needed to start production.

Deb Bultnick, DEED Manufacturing Industry Specialist-

- Deb is working on an On-the-Job Training project- understanding that high schools are no longer the pipeline for workers, the idea of "youth" apprenticeships needs to change as older people are getting in to apprenticeships or structured OJT programs.
- Deb is also working on revamping apprenticeship programs, but it won't be ready for awhile.
- Sales and Quality Management were the first areas that saw an uptick in manufacturing hiring.
- Some Manufacturers were able to be flexible and utilize their equipment to get in to other fields of manufacturing that were doing better in the economy- e.g. biomedical device manufacturing.

Members discussed the DEED labor market information spotlight on manufacturing in the Twin Cities. A range of education is required for different jobs in the industry with most requiring some post-secondary education. Manufacturing champions were in D.C. recently to present to the White House about the industry's need for middle-skilled workers and the post-secondary education required to meet these needs. The white paper on this issue laid out what is happening and what businesses and tech schools need to do to address the issue. Mary Jo will forward this briefing to the committee.

There was a brief discussion on green manufacturing, though the industry has been utilizing green practices for some time under the name "lean manufacturing."

There is a statistic that states 25% of students do not complete their high school education. With the growing trend that more and more post-secondary education is going to be required to enter the workforce in the next 10 years, how do high schools graduate more students so they can be prepared to continue their education? There are students who did not graduate 10 years ago that are still struggling to find employment, and more and more students are joining this group every year.

Members discussed the marketing needs for the manufacturing industry. There seems to be a communication issue of what working in this field is really like. Parents and students either think this is low-skilled, dead-end work in a dirty environment or they don't have any idea what it is like. Members asked what the WIB could do to address the issues discussed at this meeting. Ideas included increasing awareness of opportunities and training in the field by youth, parents, counselors, etc, restart the MMSI, support the training at tech schools, work on increasing the skills of people already in the industry, look at using OJT to prepare people for this work.

Jaime Nolan distributed the MPMA magazine- anyone interested in getting on the mailing list should let Jaime know.

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### **Other**

Jim Zentner gave information on a Business Roundtable for the ACT National Career Readiness Certificate held at the Ramsey County WorkForce Center- North Saint Paul on October 28. Employers are encouraged to attend.

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### **Adjourn**

**Motion** made by Jim Schultz with second by Joe Stratig to adjourn the meeting at 11:32 am.

**Motion carried.**

**Next Meeting-** November 12, 2010