
**Presentation to
The Virginia Workforce Council**



JANUARY 7, 2011

JANE N. KUSIAK
EXECUTIVE DIRECTOR

Outline of the Presentation

- ↷ Council on Virginia's Future
- ↷ Virginia Performs
- ↷ Educational Attainment and Workforce Quality
- ↷ Concluding Remarks

Council Overview and Membership

Established in 2003 (Code of Virginia, § 2.2-2683 et seq.) to serve as an advisory board to the Governor and the General Assembly, the Council is a forum where legislative, executive branch, and community leaders come together for work that transcends election cycles, partisanship, organizational boundaries, and short-term thinking.

The Council:

- Provides a long-term focus on high-priority issues.
- Creates an environment for improved policy and decision-making.
- Increases government accountability, operations, and performance.
- Informs citizens about performance and engages them in dialogue about Virginia's future.

The Honorable Robert F. McDonnell, Chair
Governor, Commonwealth of Virginia

The Honorable William T. Bolling
Lieutenant Governor, Commonwealth of Virginia

Mr. John O. (Dubby) Wynne, Vice Chair
President & CEO (retired), Landmark Communications

General Assembly Members

Citizen and Business Community Leaders

The Honorable Ward L. Armstrong
Minority Leader, Virginia House of Delegates

The Honorable William D. Euille
Mayor, City of Alexandria

The Honorable Charles J. Colgan
President pro tempore & Chairman, Senate Finance
Committee, Senate of Virginia

Mr. W. Heywood Fralin
President & CEO,
Medical Facilities of America, Inc.

The Honorable M. Kirkland Cox
Majority Leader, Virginia House of Delegates

Mr. Edward W. Gillespie
Principal & Founder, Ed Gillespie Strategies

The Honorable William J. Howell
Speaker of the House, Virginia House of Delegates

Mr. Harris N. Miller
President & CEO, Career College Association

The Honorable Yvonne B. Miller
Member, Senate Finance Committee,
Senate of Virginia

Dr. Edward G. Murphy
President & CEO, Carilion Clinic

The Honorable Thomas K. Norment, Jr.
Minority Leader, Senate of Virginia

The Honorable Michael J. Schewel
Partner, McGuireWoods LLP

The Honorable Lacey E. Putney
Chairman, House Appropriations Committee Virginia
House of Delegates

Cabinet Members

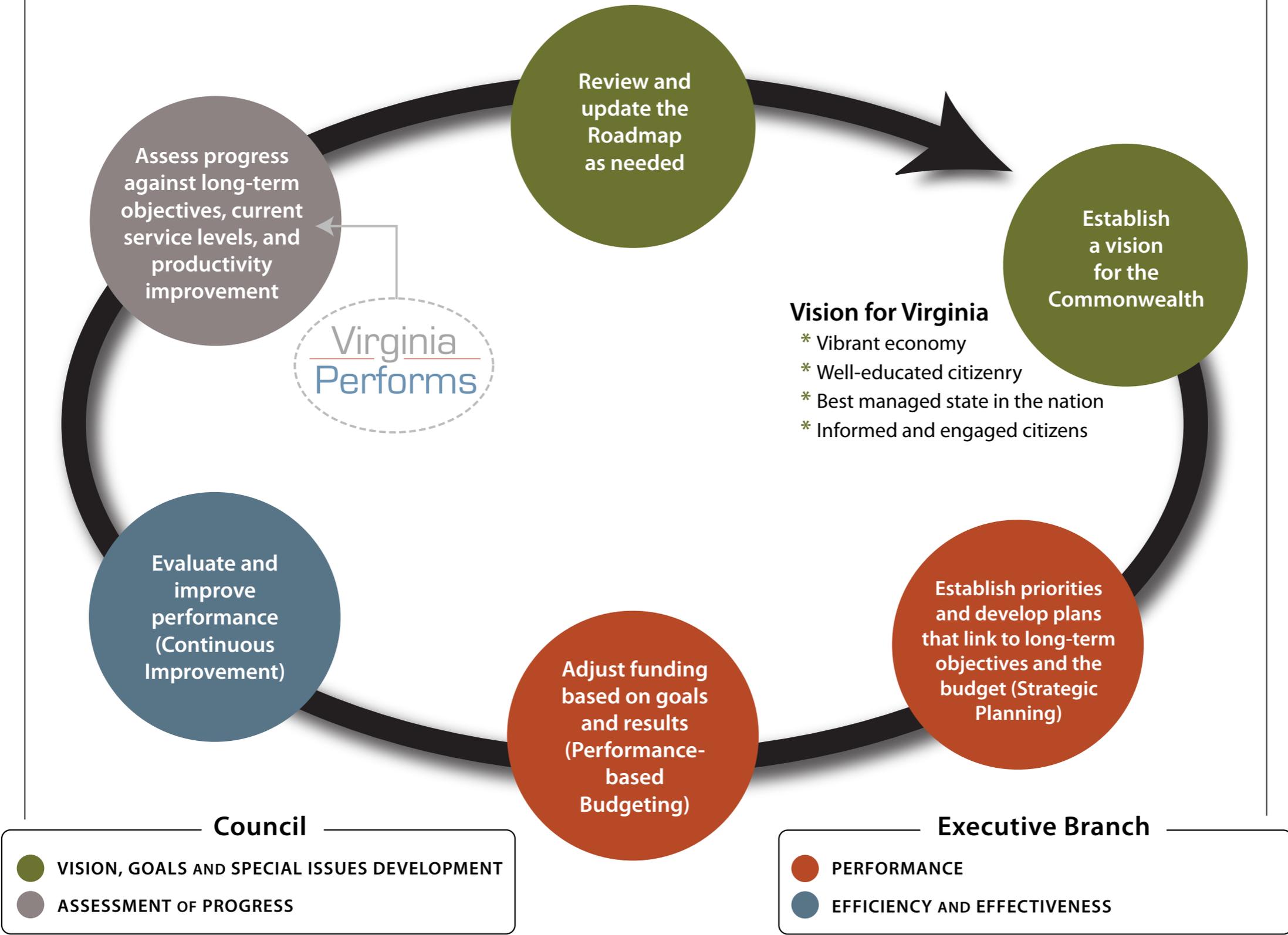
The Honorable Richard D. Brown
Secretary of Finance

The Honorable Richard L. Saslaw
Majority Leader, Senate of Virginia

To Be Appointed

Council support provided by the Weldon Cooper Center for Public Service at the University of Virginia and the Virginia Department Planning and Budget, in cooperation with the Governor's Office.

ROADMAP FOR VIRGINIA'S FUTURE



Council Products

Information / Business Intelligence



Virginia Performs website: User-friendly data at state, region and locality levels; portal to state agency strategic plans and performance measures

Analysis, Dialogue & Recommendations

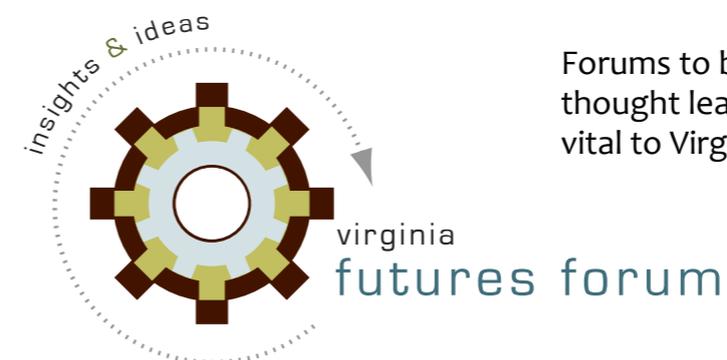


Publications and Research:

1. Outcome data by legislative district compiled for members of the General Assembly
2. White papers and custom presentations on key topics
3. Council e-newsletter with updates on the Roadmap and special issues, assessment, performance, and productivity improvement



The Virginia Report: Annual report with high-level assessment of Virginia's progress in areas important to quality of life; highlights challenges and provides analytic information for decision-making



Forums to bring together thought leaders on issues vital to Virginia

Council Interaction with Change-Focused Groups

Council on Virginia's Future

Vision for Virginia

- * Vibrant economy
- * Well-educated citizenry
- * Best-managed state
- * Informed & engaged citizens



IMPROVED OUTCOMES

Change-Focused Groups

- Legislative and Gubernatorial Initiatives and Commissions
 - ▶ Government Reform & Restructuring
 - ▶ Higher Education
 - ▶ Jobs & Economic Development
- Enterprise-level Councils and Initiatives, e.g., The Virginia Workforce Council
- Agency-Level Initiatives
- State-Local Initiatives
- Other

SCORECARD AT A GLANCE

Economy

Goal: Be a national leader in the preservation and enhancement of our economy.

| | |
|-------------------|---|
| Business Climate | ↑ |
| Business Startups | → |
| Employment Growth | → |
| Personal Income | ↓ |
| Poverty | ↓ |
| Unemployment | ↓ |
| Workforce Quality | ↑ |

Education

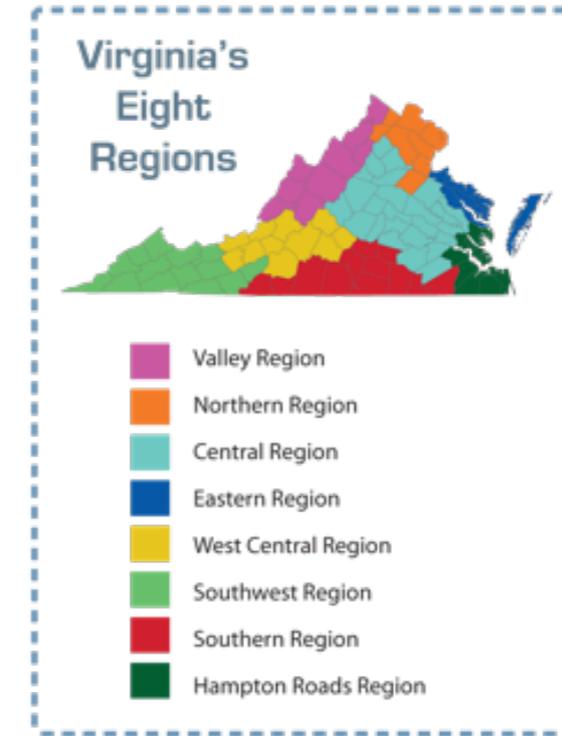
Goal: Elevate the levels of educational preparedness and attainment of our citizens.

| | |
|------------------------|---|
| School Readiness | ↑ |
| 3rd Grade Reading | ↑ |
| 4th Grade Reading/Math | ↑ |
| High School Graduation | ↑ |
| High School Dropout | ↑ |
| College Graduation | ↑ |
| Educational Attainment | ↑ |
| Lifelong Learning | → |

Health and Family

Goal: Inspire and support Virginians toward healthy lives and strong and resilient families.

| | |
|-------------------------|---|
| Adoption | ↑ |
| Cancer | ↑ |
| Cardiovascular Disease | ↑ |
| Child Abuse and Neglect | ↑ |
| Foster Care | ↑ |
| Health Insurance | ↓ |
| Immunization | ↑ |
| Infant Mortality | ↑ |
| Life Expectancy | ↑ |
| Obesity | ↓ |
| Smoking | ↑ |
| Suicide | ↓ |
| Teen Pregnancy | ↑ |



Public Safety

Goal: Protect the public's safety and security, ensure a fair and effective system of justice, and provide a prepared response to emergencies and disasters of all kinds.

| | |
|------------------------|---|
| Crime | ↑ |
| Emergency Preparedness | ↑ |
| Juvenile Intakes | ↑ |
| Recidivism | ↑ |
| Traffic Fatalities | ↑ |

Natural Resources

Goal: Protect, conserve and wisely develop our natural, cultural and historic resources.

| | |
|---------------------------|---|
| Air Quality | ↑ |
| Energy | → |
| Historic Resources | → |
| Land Preservation | ↑ |
| Solid Waste and Recycling | → |
| Water Quality | ↑ |

Transportation

Goal: Ensure Virginia has a transportation system that is safe, enables the easy movement of people and goods, enhances the economy, and improves our quality of life.

| | |
|--------------------------|---|
| Infrastructure Condition | ↓ |
| Land Use | ↑ |
| Traffic Congestion | ↓ |

Government & Citizens

Goal: Be recognized as the best-managed state in the nation.

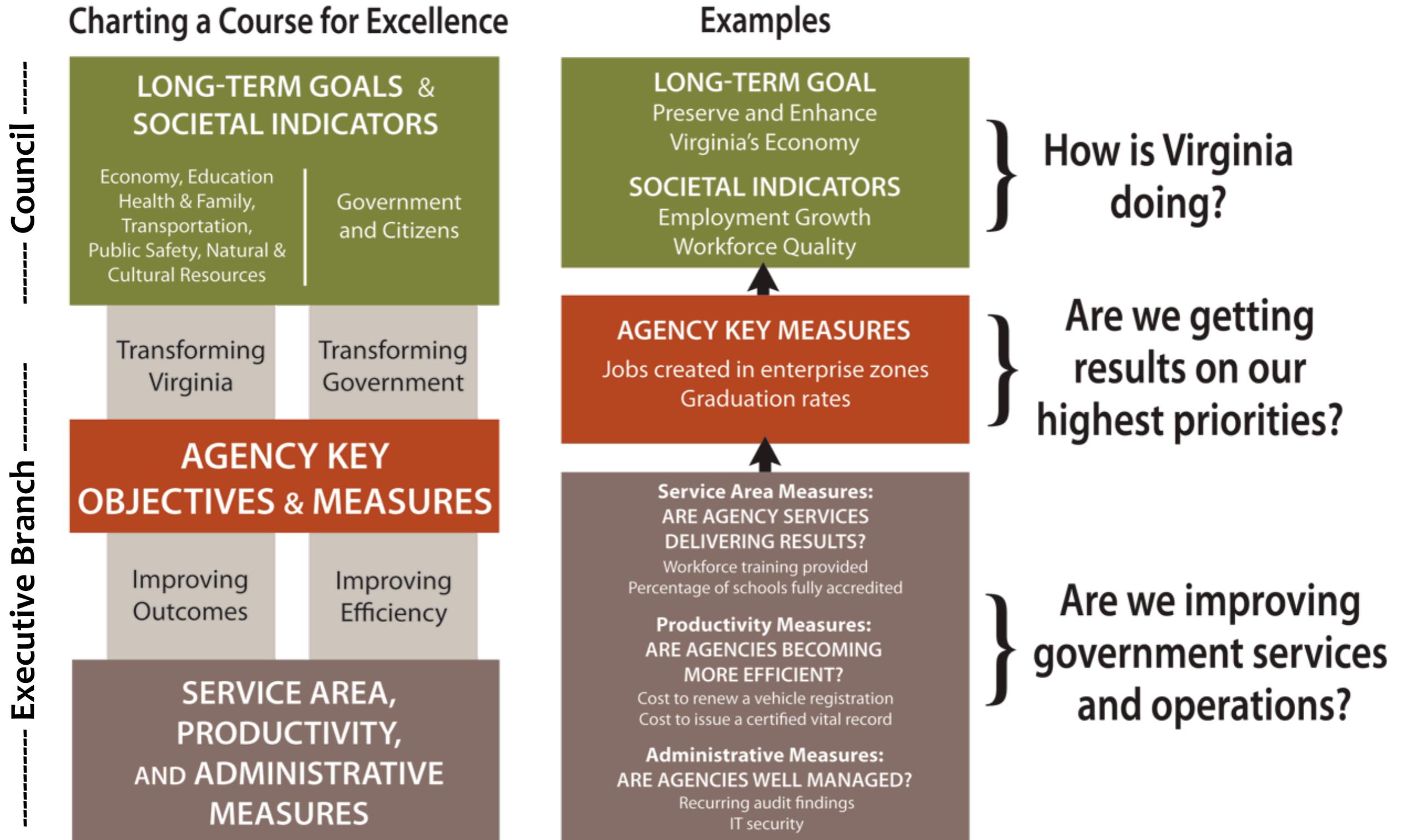
| | |
|------------------------------|---|
| Bond Rating | ↑ |
| Civic Engagement | → |
| Consumer Protection | ↓ |
| Government Operations | ↑ |
| Internet Access | ↑ |
| Taxation | → |
| Voter Registration & Turnout | → |

Performance Trend

| | |
|-------------|---|
| Improving | ↑ |
| Maintaining | → |
| Worsening | ↓ |



Virginia Performs Architecture

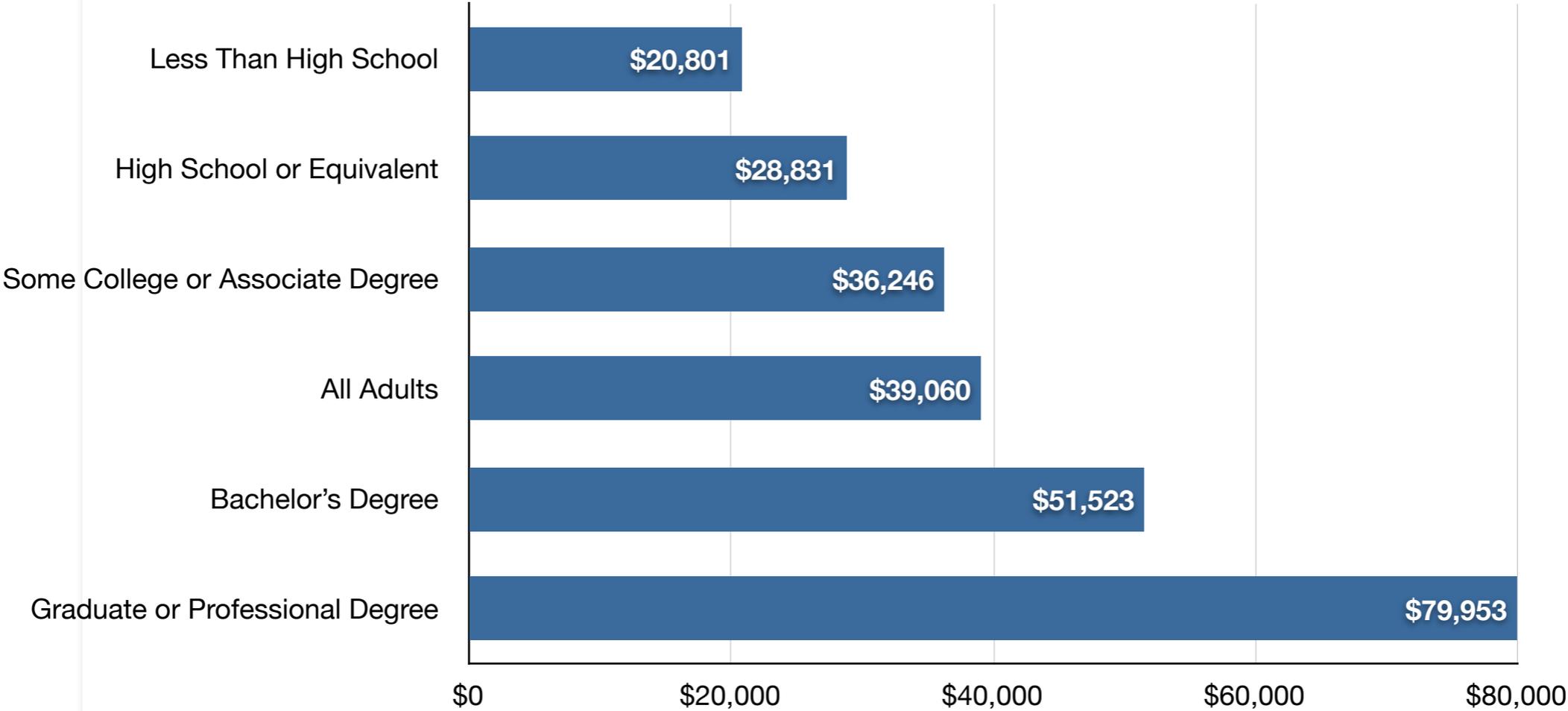


Our Journey

- ↪ The Council has long considered a “vibrant economy” and “well-educated citizenry” to be the key foundations for Virginia’s long-term prosperity and the economic competitiveness of our regions.
- The Council commissioned a survey of business leaders to learn more about the factors that are most important in creating and sustaining an excellent business climate. Not surprisingly, the quality of the workforce and an ongoing supply of skilled workers are vital.
 - The Council then began an extensive analysis of higher education attainment and Virginia’s economic competitiveness. The bottom line: Virginia needs to generate a significantly higher number of degrees and certificates and do a better job of aligning education and workforce training resources with emerging industry needs. This work helped establish a foundation for the Governor’s Commission on Higher Education Reform, Innovation and Investment.
 - The Council is currently examining opportunities to improve regional competitiveness on behalf of the Governor’s Commission on Government Reform and Restructuring. Regional collaboration is strong, but overlapping regional divisionary systems have evolved over time and leadership and funding sources are varied.

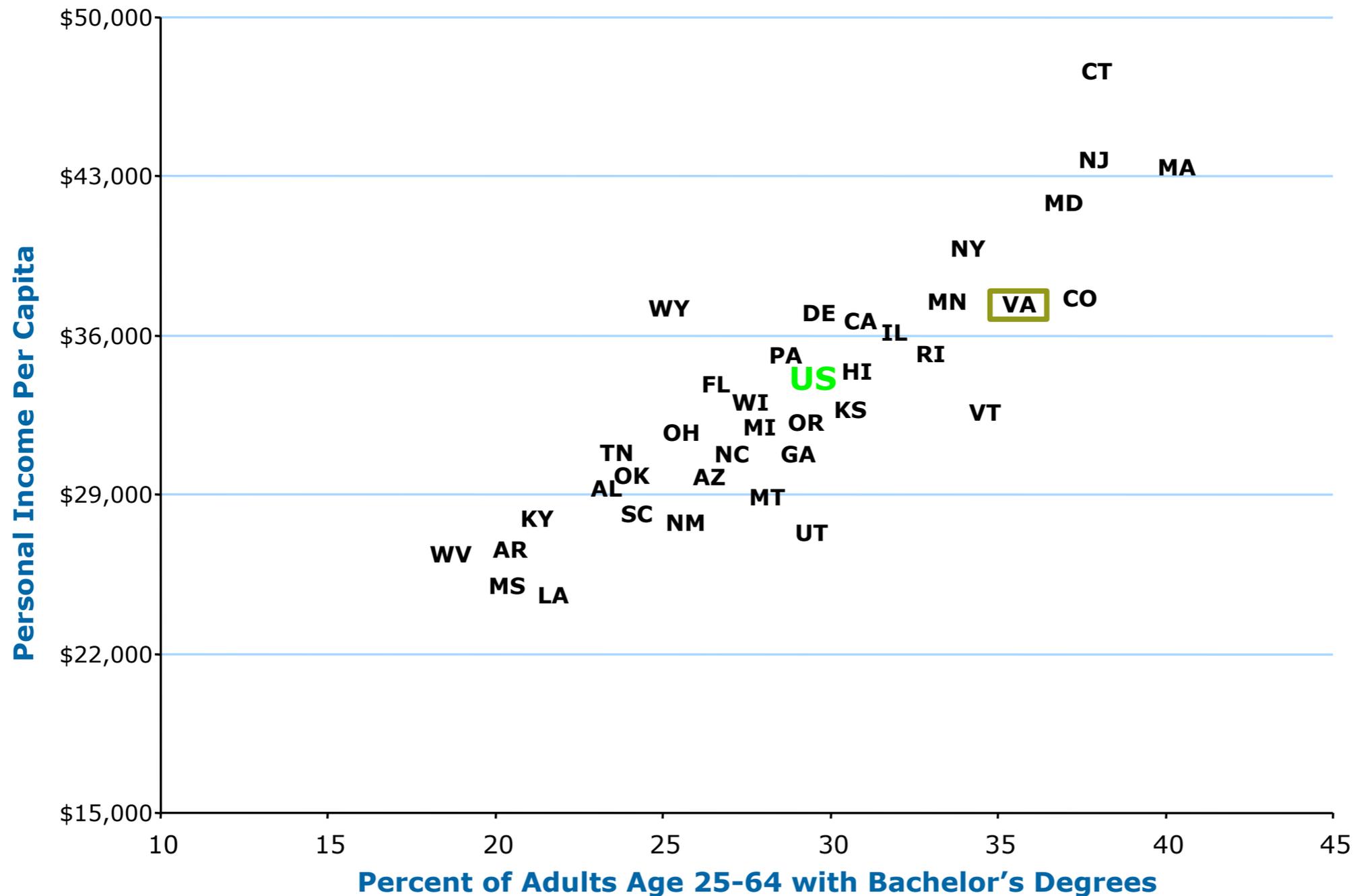
What the Data Tell Us: Education and Income

Median Earnings by Level of Educational Attainment, Virginia, 2008



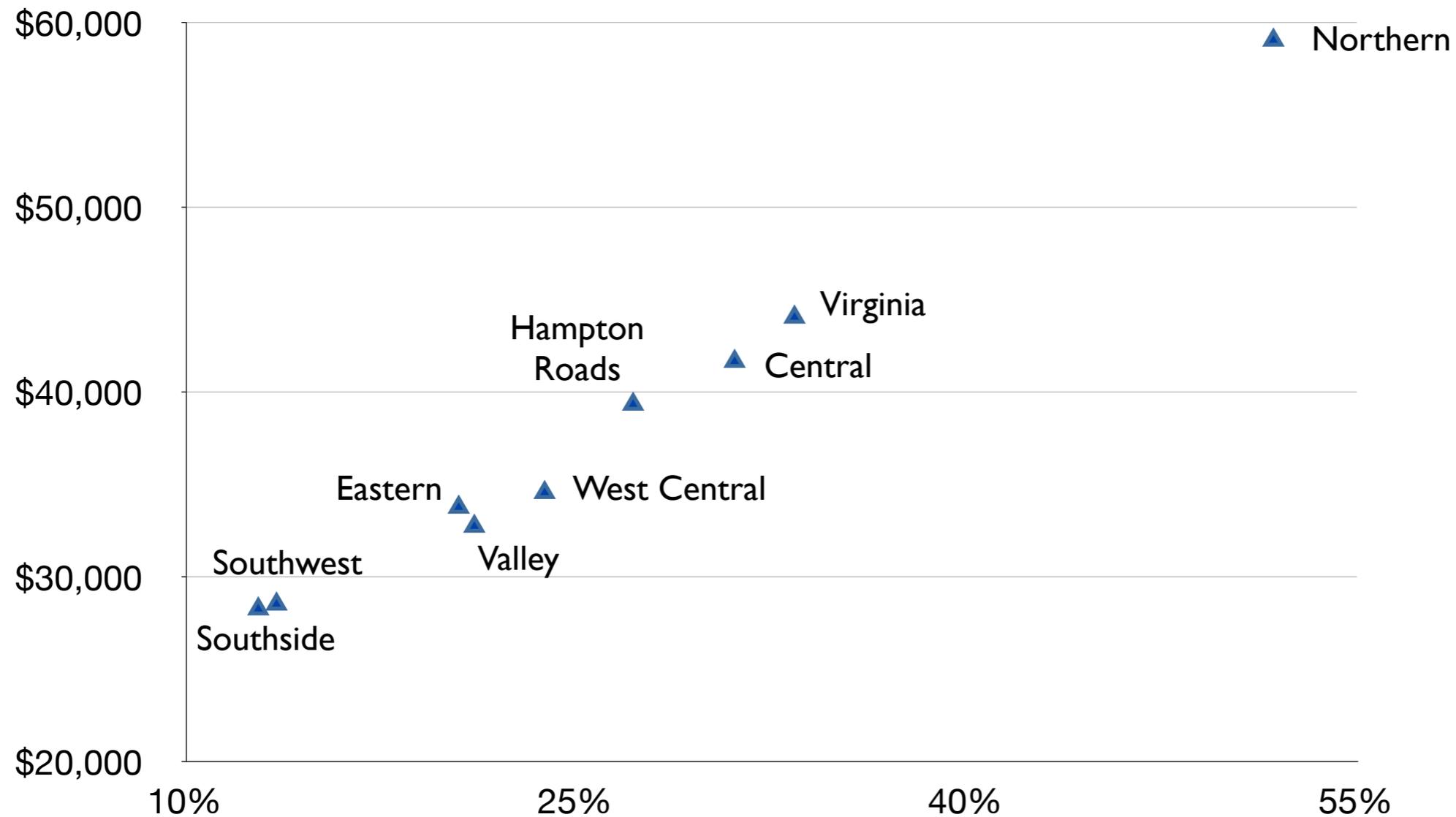
Source: 2008 American Community Survey, U.S. Census Bureau

Relationship Between Educational Attainment and Income, Selected States, 2005



Source: National Center for Higher Education Management Systems (NCHEMS); data from the Decennial Census and the American Community Survey, U.S. Census Bureau

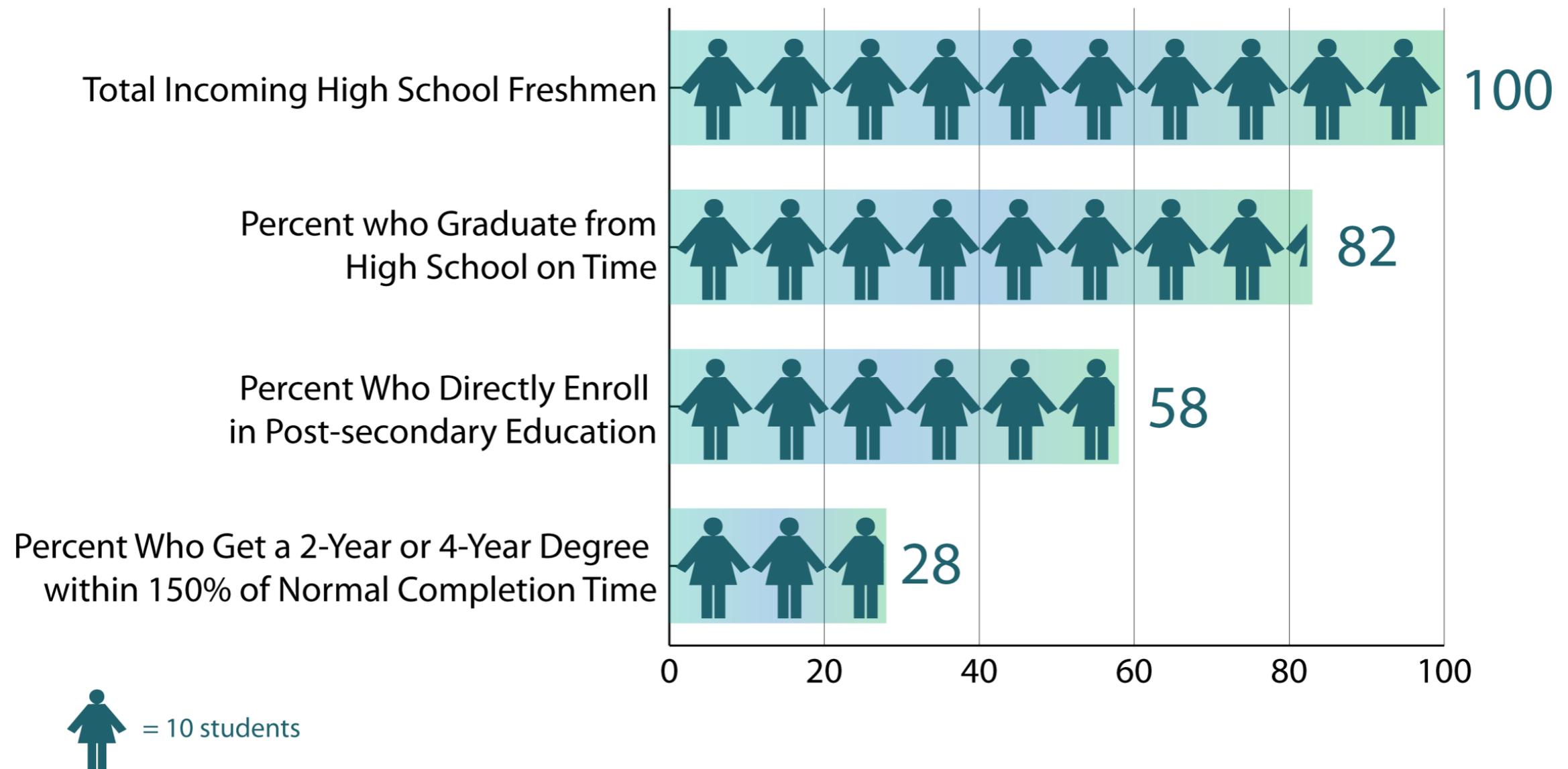
Per Capita Personal Income and Educational Attainment: Virginia's Regions



Percent of the Population 25 and Over with at Least a Bachelor's Degree

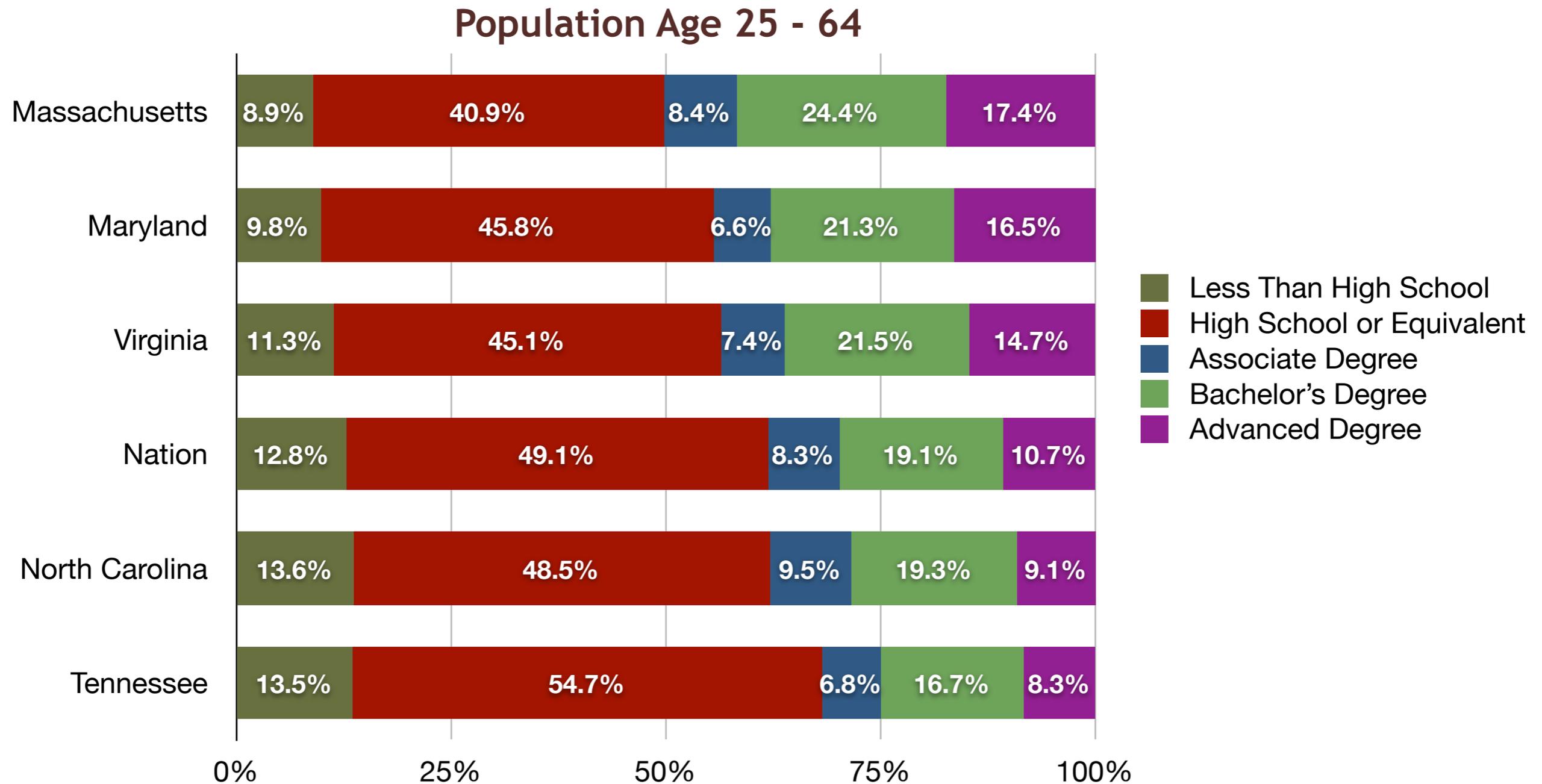
Source: Educational Attainment - Current Population Survey (table creator), 2005-2009, U.S. Census Bureau; Adjusted 2008 Per Capita Personal Income - Regional Economic Information System, Bureau of Economic Analysis, U.S. Department of Commerce.

Educational Attrition Rates in Virginia (2008)



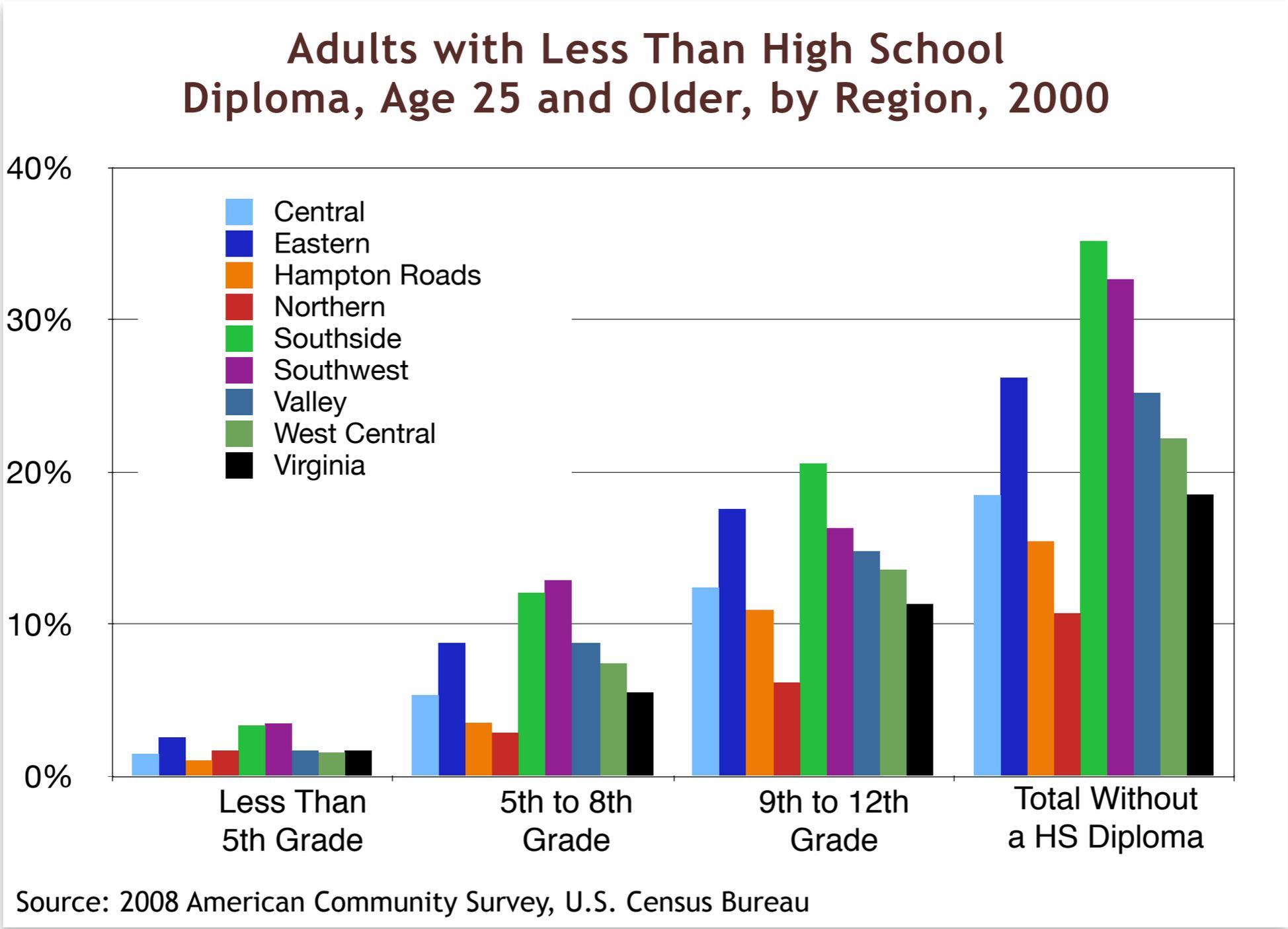
Source: Council analysis based on data from the Virginia Department of Education, the NCHEMS Information Center for Higher Education Policymaking and Analysis, and the Integrated Postsecondary Education Data System (IPEDS).

Educational Attainment: Virginia and Neighboring States, 2008

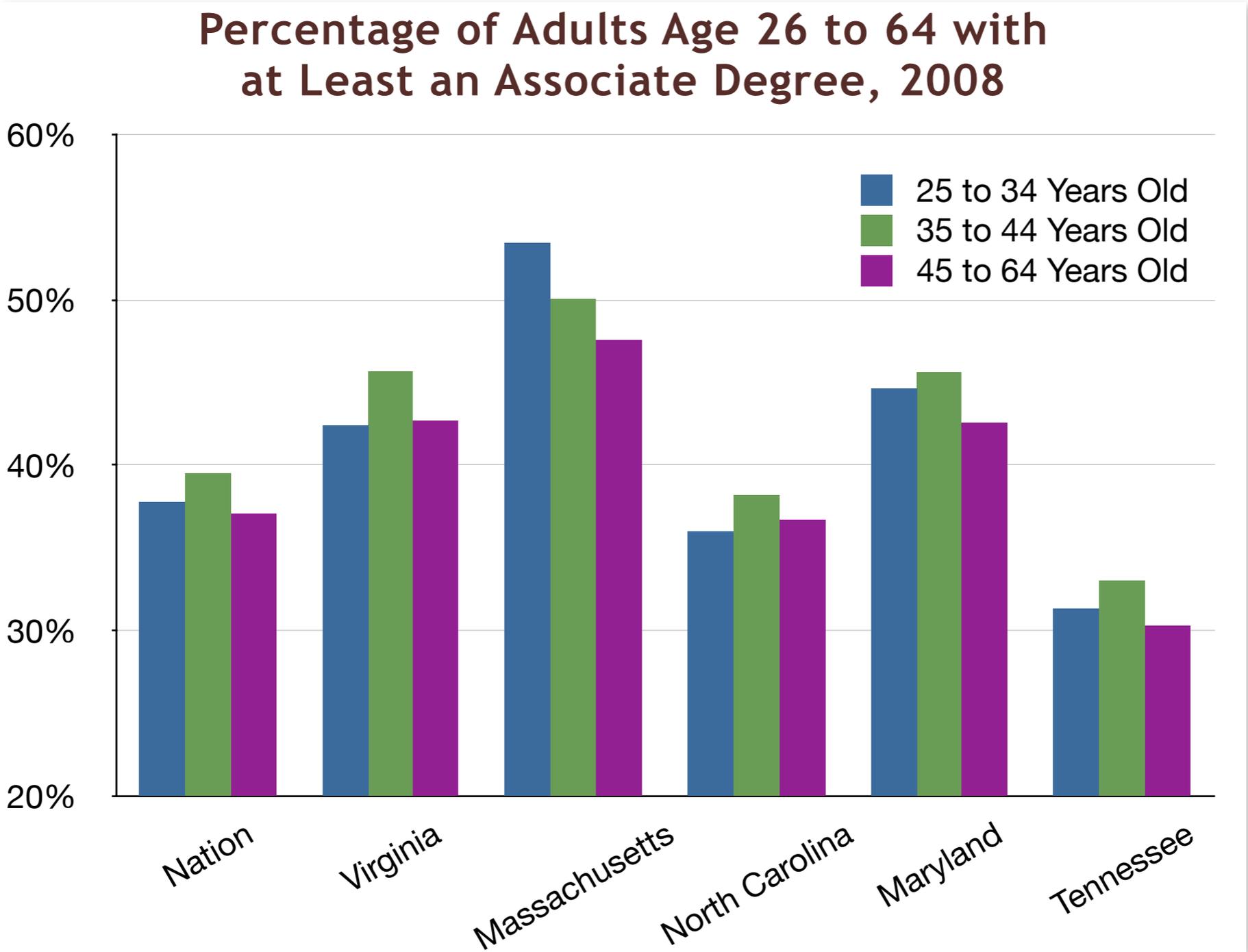


Source: National Center for Higher Education Management Systems Information Center; data from the 2009 American Community Survey Public Use Microdata Sample File, U.S. Census Bureau

Less Than High School by Region



Educational Attainment by Age Cohort



Source: 2008 American Community Survey, U.S. Census Bureau

International Adult Educational Attainment Rates for Key Age Cohorts, 2008

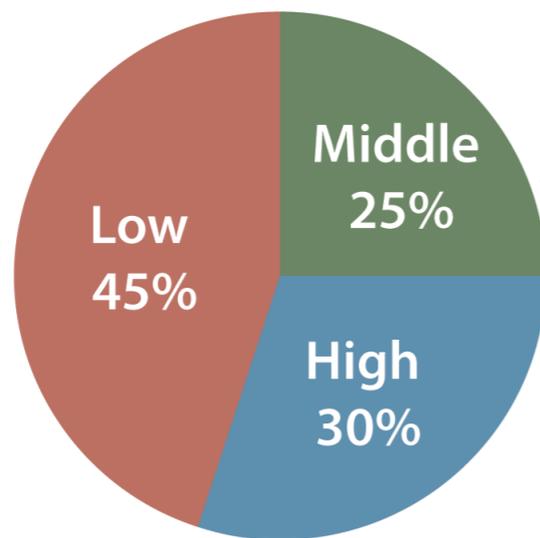
| | Adults with at Least an Associate Degree (per 100 Adults) | | |
|---------------|--|--------------|---|
| | Age 35 to 44 | Age 25 to 34 | Percent Difference in Age-Cohort Attainment Rates |
| Korea | 42.5 | 57.9 | 36.6% |
| Canada | 54.2 | 55.9 | 3.1% |
| Japan | 48.4 | 55.1 | 13.8% |
| New Zealand | 39.9 | 47.6 | 19.3% |
| Ireland | 36.8 | 45.6 | 23.9% |
| Virginia | 45.7 | 42.4 | -7.2% |
| United States | 43.0 | 41.6 | -3.3% |

Source: Organization for Economic Cooperation and Development (OECD), *Education at a Glance 2010*. Virginia data from the National Center for Higher Education Management Systems (NCHEMS).

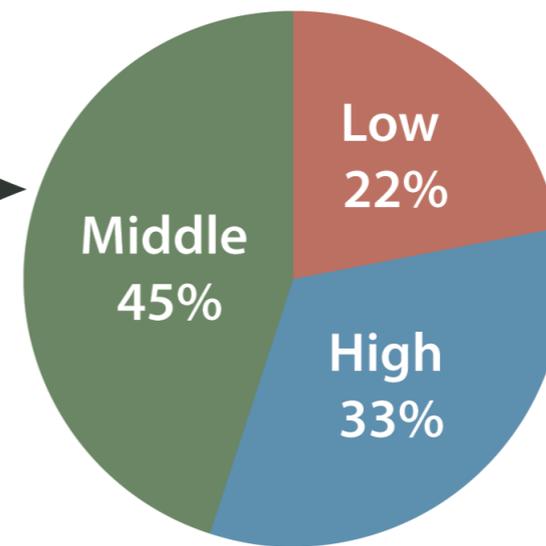
Workforce Skills Gap

Workforce Skill Levels vs. Projected Workplace Skill Demands

2007 Skill Levels in
America's Workforce



2014 Demand for Skill
Levels in the Workplace



20% Skills Gap

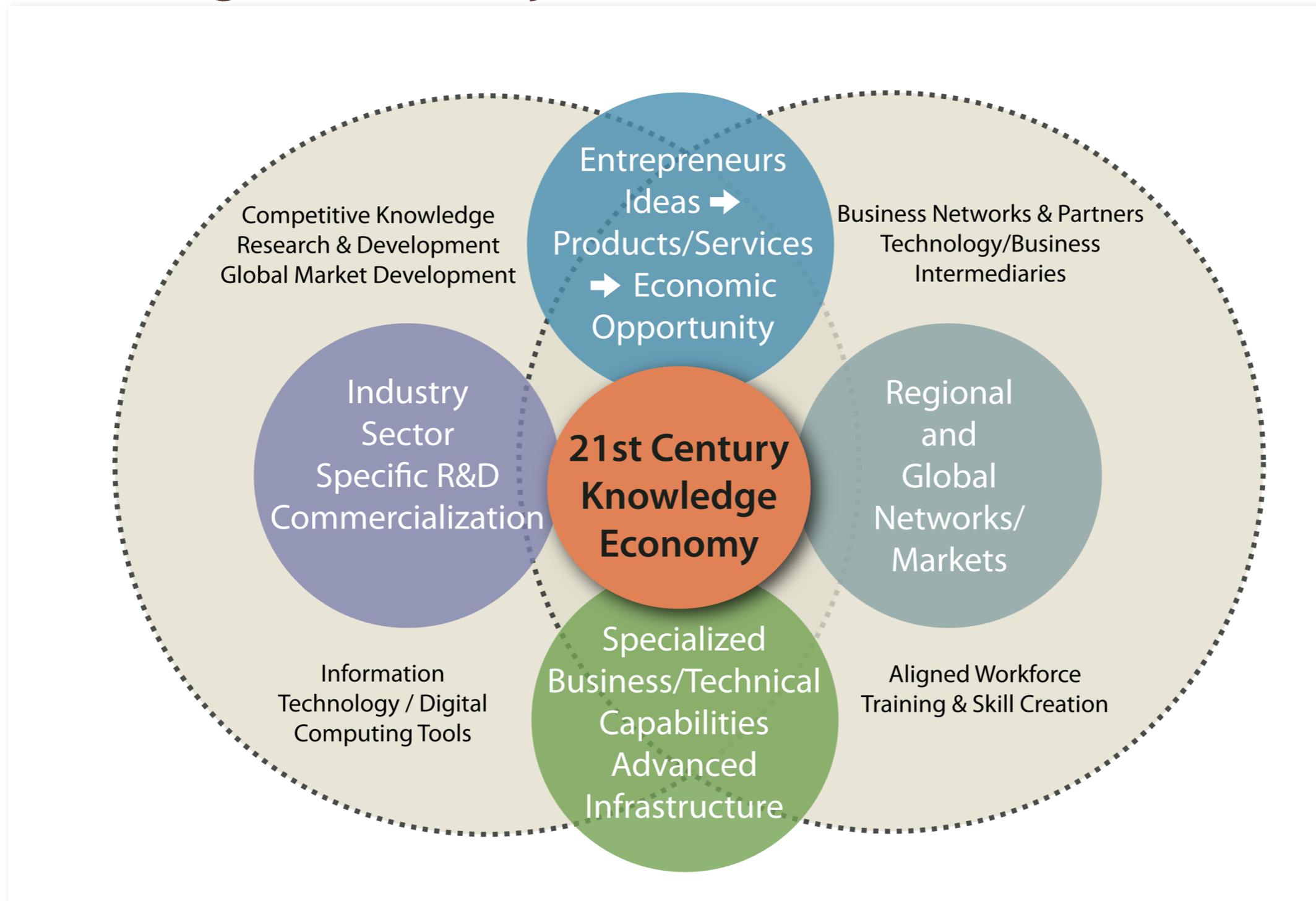
Source: Analysis by Chmura Economics and Analytics based on ACT data.

The supply side is based on education attainment. Low Skill = high school or less. Middle Skill = two years of education / training beyond high school. High Skill = four-year degree and higher.

The demand side compares requirements of jobs based on education and/or skills needed to be successful on the job.

This information comes in part from the ACT Job Pro database and test and BLS O*NET information.

Key Elements in an Innovation-Driven Knowledge Economy



Adapted from *Clusters of Knowledge: Where are the Skilled Workers?*, a presentation by Richard Seline, New Economy Strategies, LLC, February 2008

Concluding Remarks

 Collaborative long-term efforts are the key to improving outcomes that will increase overall workforce quality and economic competitiveness across Virginia, such as:

- College and Career Readiness Initiative that is aligning postsecondary expectations with high school performance;
- Virginia Education Wizard;
- *Achieve 2015*, the new strategic plan for the Virginia Community College System that establishes goals for Access, Affordability, Student Success, Workforce, and Resources; and
- Data initiatives, including the Workforce Quality Data Initiative and a new federal grant to establish a longitudinal database, drawing data from the Department of Education, SCHEV, VCCS and VEC to track educational attainment and workforce quality.

Key Questions

- 
- A great opportunity is emerging to transform the way we assess and improve Virginia's workforce:
- What are the key measures of workforce quality? How do we measure the gaps between market need and “production”?
 - How do you ensure that data systems -- and performance metrics -- transcend funding and institutional boundaries so you can identify weaknesses in the pipeline?
 - How do you set benchmarks and create measures so leaders and citizens can monitor progress?
 - Given the apparent complexity and scope of the issues, how do you devise an outcome-based approach to drive improvement across the system ?

Sites of Interest

Virginia Performs:
VaPerforms.virginia.gov

Productivity Investment Fund:
www.pif.virginia.gov

Council on Virginia's Future:
future.virginia.gov

JANE N. KUSIAK
EXECUTIVE DIRECTOR
COUNCIL ON VIRGINIA'S FUTURE

1001 E. BROAD ST., SUITE 430
RICHMOND, VA 23219
804.371.2346

JANEKUSIAK@VIRGINIA.EDU