



Grayway

**THE NEW AGE OF
WORKFORCE
DEVELOPMENT**

How States and Schools are Training Workers for Next-Generation Jobs

01
NARROWING THE
SKILLS GAP

States Ramping Up Efforts to
Meet Workforce Demand Across
the Nation

03
GRAY...WE'RE BUILDING

Flex Films, (USA) Inc.
Elizabethtown, Ky.

04
THE EMPLOYER'S
RIGHT ARM

Community Colleges & Technical
Institutions Continue to Play Vital
Role in Training America's Workforce

05
GRAY MATTER

The Changing Face of the
American Worker

06
SHADES OF GRAY

California Maintains Position as
America's Technology Hub



When it comes to economic development, there is one driver that can make or break a community's chances of recruiting new businesses and that is the strength of its workforce. States that provide customized approaches to workforce development through strong partnerships with its educational institutions have been very successful in business recruitment and retention. Georgia and North Carolina are two such states that have been setting the standard for workforce development for decades, and continue to do so. This issue of the *GrayWay* uncovers how these states have managed to stay ahead of the curve, workforce issues facing employers today, and what's being done nationwide to address these issues.

A handwritten signature in black ink that reads "Jeff Bischoff".

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WORKFORCE DEVELOPMENT



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NARROWING THE SKILLS GAP

States Ramping Up Efforts
to Meet Workforce Demand
Across the Nation

Jobs, jobs, jobs. In 2011, the topic of jobs, and how to create more of them, has been one of the most widely talked-about issues across the nation. With the 2012 presidential election looming, politicians are vigorously attempting to brand themselves as the candidate with the solution to the jobs shortage. But what's not being discussed as much, at least on the political scene, is another giant problem related to jobs, and it's not the lack thereof.

“...five percent of all manufacturing jobs remain unfilled due to a lack of qualified candidates. This translates to an astounding 600,000 jobs in the manufacturing industry alone.”

Deloitte Development and The Manufacturing Institute

According to a survey conducted this year by Deloitte Development and The Manufacturing Institute, some five percent of all manufacturing jobs remain unfilled due to a lack of qualified candidates. This translates to an astounding 600,000 jobs in the manufacturing industry alone. With unemployment rates continuing to soar at 9.1 percent according to the Bureau of Labor Statistics (October, 2011), it is a wonder how such a large labor pool is unable to meet the demand for workers in advanced manufacturing jobs.

The phenomenon—commonly referred to as the “skills gap”—is far from being ignored, however. States, universities, technical and community colleges, workforce development groups and manufacturers themselves are diligently working on finding solutions to the burgeoning problem.

Take Georgia, for example. This state has been setting standards in workforce development for decades and has shown no signs of slowing down. One of Georgia’s more notable initiatives is called Georgia Work Ready, developed in 2006 under former Governor Sonny Perdue and the Georgia Chamber of Commerce.



Debra Lyons

Debra Lyons served as the executive director for workforce development under Governor Perdue and was charged with implementing the initiative. According to Lyons, the goal of Georgia Work Ready is to drive the connectivity of standing education and training programs and its strong system of technical colleges with new initiatives like the National Career Readiness Certificate. The goal: to identify both the needs of businesses and the available skills of Georgia’s workforce to more effectively generate the right talent for the right jobs, and to ultimately drive future economic growth for the state.

There are four key components to Georgia Work Ready:

- The Work Ready Certificate, powered by the ACT National Career Readiness Certificate, is an assessment designed for individuals deemed as possessing the necessary skills to receive more customized training.
- Work Ready job profiling, conducted by ACT-authorized job profilers, allows employers to match job tasks with skill levels to more successfully hire the right people for the right jobs.
- Certified Work Ready community, a voluntary initiative that enables communities to seek a designation demonstrating the talent of its workforce.
- Work Ready Region, where counties work together to develop regional talent pools aligned to a common, existing strategic industry.

And soon, companies won’t have to be located in Georgia to receive the benefits of such a program. Lyons—who now serves as vice president of community and economic development for ACT, the organization best known for its college assessment and testing services—says that states across the

nation are working to implement their own “work ready” initiatives, and ACT has been recruited to help them.

“ACT has been approached by about 20 states wanting help on how to replicate what Georgia did,” said Lyons. “We’re in the midst of a pre-launch announcement on the ACT-certified work ready communities initiative—we’re pretty excited about that.”

“We talk about solving the skills gap, but the situation is that we don’t have a way to measure it,” continued Lyons. “ACT is providing a national framework to be able to measure core work readiness skills. At the end of the day, the most important thing is that the individual knows what the skill level is to fill a job, and industry knows exactly what skill levels are needed to fill their jobs.”

Kentucky is one such state working to transform its workforce development efforts, attacking the skills gap problem head on.



Students at Lake Cumberland Area Technology Center in Russell County, Ky. are trained for careers in engineering and advanced manufacturing through the school’s machine tool technology program.



After training at the Harrodsburg Area Technology Center, this welder landed a job with Custom Tool and Manufacturing in Lawrenceburg, Ky.



Tom West

“We’re investing millions of dollars right now in transforming (our workforce development) system, including completely renovating our online presence to make it more user-friendly for employers to be able to screen applicants,” said Tom West, executive

director of the Kentucky Workforce Investment Board. “It has an automated intelligence component—we’re going to be rolling that out early 2012. We’ll help match people with certain skills to job openings that employers may have.”

West says Kentucky is also implementing a “work ready communities” certification, similar to that of Georgia. Counties must meet six criteria, developed by economic development officials, site selectors and other business and industry experts in order to be certified.

“Basically, it will be employers who help determine what ‘work ready’ means in Kentucky,” West said.

According to West, there are close to two dozen more initiatives involved in Kentucky’s workforce development transformation, like customizing and branding the state’s one-stop career centers to more accurately meet the expectations of employers.

“We’re trying to touch every component of the system to ultimately make it more user-friendly, more customer-centered and solutions-based,” said West. “We want business to drive the system, and it has to respond to the needs of business and industry. Employers are the ultimate customers of the workforce system.”

[For more information on national workforce development resources available through ACT, contact Debra Lyons at \(319\) 541-0258.](#)

[For more information on Kentucky’s Work Ready Community Criteria, please visit \[www.gray.com/news/blog\]\(http://www.gray.com/news/blog\).](#)

GRAY...WE’RE BUILDING

Flex Films, (USA) Inc.
Elizabethtown, Ky.

Gray has broken ground on a 180,000 s.f. manufacturing plant for Flex Films, Inc.—one of the world’s leading producers of plain, coated and high barrier plasma metallized specialty films and holographic materials. Flex Films is the world’s largest supplier of co-extruded polyester films for packaging applications. The new Kentucky location will be the company’s first U.S. manufacturing plant.

The project will be completed in phases, initially creating 125 new jobs with a \$90 million investment. The second phase will ultimately double in scope, creating 125 additional jobs. The total investment for both phases will be \$180 million. The first phase of the project will be operational by the end of 2012 and the second phase will begin shortly thereafter.

Flex Films (USA), Inc. is the global films business arm of the UFLEX Group, which is headquartered in New Delhi, India. The company currently operates manufacturing facilities in India, Dubai, Mexico and Egypt and is setting up another operation in Poland. It has a market presence in 110 countries.



Flex Films, (USA) Inc., Elizabethtown, Ky.

THE EMPLOYER'S RIGHT ARM

Community Colleges & Technical Institutions Continue to Play Vital Role in Training America's Workforce

America's educational institutions have been providing workforce training to community employers for so long, some companies have become all but dependent on educators to provide this service. In many cases, employers rely solely on state-sponsored institutions to screen, assess and train their workers free of charge—quite a good deal for the employer, but what's in it for these states? Many believe a strong workforce development program is a business recruitment tool more powerful and effective than any other incentive.



Dr. Gary Green

Forsyth Tech in Winston-Salem, N.C. is a primary example of a community college system founded for the sole purpose of providing a skilled workforce to businesses there. Dr. Gary Green is Forsyth Tech's current president and believes his college has been a key variable in attracting new businesses to Winston-Salem. Companies like Caterpillar whose new 850,000 s.f. machining, assembly, testing and painting plant will need hundreds of skilled laborers to operate successfully.

"One of their primary reasons for choosing Winston-Salem was the strength of our computer-integrated machining program," explained Dr. Green. "We have major resources in terms of well-equipped labs and shops to make sure that Caterpillar has the opportunity to train

their startup workforce as they get people on and train them in machining. They'll also have the ongoing pipeline for the long haul to make sure they have the skilled workforce they need going forward."

Dr. Green says enrollment at Forsyth Tech is up 41 percent over the last four years, largely due to the country's high unemployment rate. This influx of students means more will be applying to companies like Caterpillar upon graduation. More applicants is good, in theory, but too many can be taxing on an employer's human resource department. ACT, one of the nation's primary college admissions testing organizations, is offering to relieve some of this burden through its National Career Readiness Certificate (CRC), a national credential Forsyth Tech and many other community colleges have embraced and are administering to their students.

"The CRC certifies that students have basic academic skills—reading skills, applied math skills—and also gets into assessing soft skills—the ability to work in teams, to work with other individuals, etc.," said Dr. Green.

Beyond the CRC, the National Association of Manufacturers' Manufacturing Institute and the National Institute of Millworking Skills have their own certification programs and these credentials are transferable so any



Machinists are trained on how to use precision measuring instruments at Forsyth Tech's Caterpillar training facility.

employer anywhere can know the skill level an individual has obtained. Dr. Green says these types of certifications are growing in acceptance and are being used more and more by employers across the nation.

"Nationally, across the board, community colleges are right at the crux of addressing the skills gap," said Dr. Green. "And, it's the community colleges that people are turning to for those skills and employers are turning to for the workforce they need."



Ed Castile

Ed Castile, director of Alabama's workforce resource AIDT, echoes this sentiment and says community and technical colleges are on a continuous quest to align workforce training programs with the rapidly changing needs of employers today, particularly in advanced manufacturing. AIDT acts as the primary training arm for Austrial, USA, the world's largest manufacturer

“As we recruit today, we know the technology is going to advance so we look for people who are trainable and comfortable within the ever-changing technological environment. It’s the only way to be successful.”

Ed Castile

of aluminum commercial and defense vessels, which is expanding for the fourth time since locating in Mobile in 2003.

“The technology used at Austal today is far more advanced than it was when they began five years ago.” said Castile. “As we recruit today, we know the

technology is going to advance so we look for people who are trainable and comfortable within the ever-changing technological environment. It’s the only way to be successful.”



Welders for Austal, USA are specially trained at the Maritime Training Center to handle the intricacies of ship manufacturing.

GRAY MATTER

The Changing Face of the American Worker

Over the past decade or so, technological advancements have been made so rapidly, it’s hard to know what’s considered new and what has become outdated. Remember the PalmPilot? Or the flip phone? And it won’t be long before children will be asking what a DVD is. This same phenomenon is occurring within the walls of our nation’s manufacturers and these employers are continually battling to keep their workforce up-to-speed on the latest advanced manufacturing technologies.

It is no longer enough to be handy when applying for a job in manufacturing. Now, workers must have strong math skills and be able to apply those skills when working with new technology. They must also possess the “soft skills” that have become necessary in the fast-paced business of manufacturing—like being reliable, a team player, and a good communicator. As the needs of manufacturers change, our school systems, community colleges, vocational-technical schools and universities must work closely with this vital industry to help bridge the skills gap, supplying a workforce that is adaptable and always ready to meet the challenges that inevitably come with change.

Gray has a unique perspective when it comes to workforce development. In these still difficult times, it is encouraging to see states and communities working effectively to bring great workers to their manufacturing businesses. Manufacturers, states, communities and the educational system are partners in every sense of the word, and these partnerships illustrate what is best about American capitalism.

Stephen Gray
President and Chief Executive Officer



Stephen Gray

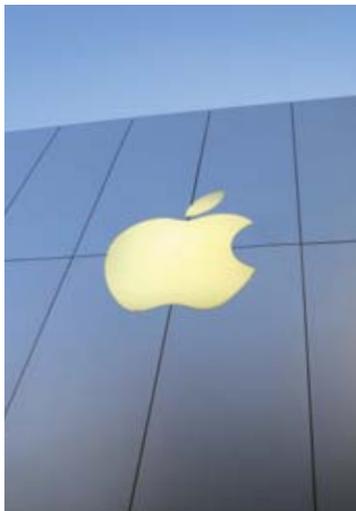
CALIFORNIA MAINTAINS POSITION AS AMERICA'S TECHNOLOGY HUB

The American workforce is among the world's most educated and diverse, and that is especially evident in California. The late Steve Jobs is a prime example of a technology pioneer who developed out of the competitive innovation incubator of the Silicon Valley. Today, the Silicon Valley continues to draw and develop thousands of the world's most talented designers, engineers and technology innovators. California's Governor's Office of Economic Development cites an impressive list of statistics, all proof that California continues to be the nation's leading high-tech state:



Bob Moore, President
Gray-I.C.E. Builders

- The Golden State boasts nearly one million high-tech workers, more than any other state.
- California is the leading high-tech export state with \$41.3 billion in exports in 2009, almost \$6 billion more than the next closest state.
- California is home to 40 federal laboratories.
- In 2009, over 23,000 patents originated in California, far more than any other state. This represents one quarter of all U.S. patents issued in 2009.



Apple, Inc.

While California continues to enjoy this position, our state has not been spared difficulty in creating jobs for the thousands of people desperate to find a job in a challenging economy—high-tech or otherwise. With anemic economic growth following the last recession, our state's unemployed must adapt to the changing labor market. Many are taking advantage of the educational opportunities available in the California community college system to become equipped with the right education and training to reenter the workforce. While high unemployment continues to plague the country, it also provides high tech employers—who have historically struggled to fill technical jobs—with a golden opportunity to reach out to those individuals adapting their skills and seeking long-term sustainable employment.

MAINTENANCE TIPS

Inspecting and maintaining building systems and equipment is vital to avoid expensive repair costs and/or replacement of such systems. Service Team Manager Steve Higgins offers these maintenance tips to help you avoid routine expenses associated with system and equipment shutdowns.



Steve Higgins
Service Team Manager
Gray Construction

- All safety controls and shutoff valves should be inspected and operated manually to ensure they are functioning properly.
- If you have compressors, it may be time to replace lubricant, hoses, and separator elements.
- Check all cabinets at fire risers to ensure adequate spare fire protection heads and wrenches are available.



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