

# FY2017 2ND QUARTER REORT

Southwest Alabama Workforce Development Council  
March 31, 2017

## CONTENTS:

General Overview.....	1
2016 Year End Industry Survey Results.....	2
Participant Outcomes as of 3/31/17.....	4
Cluster Reports.....	6
SAWDC Worlds of Opportunity Update.....	11
Sustainability Plan Complete.....	11
Region 7 Rural County Study Complete.....	11

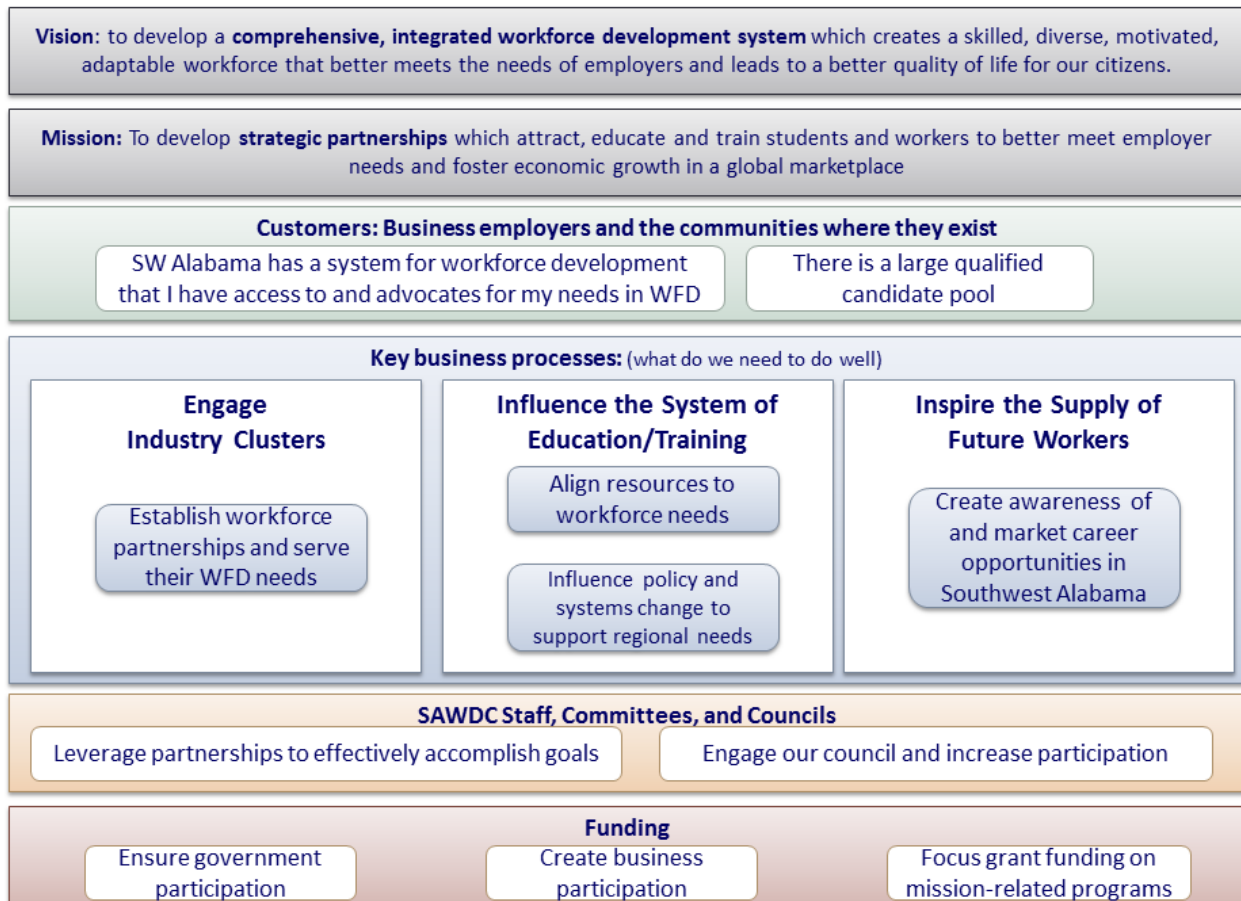


# General Overview

Successful economic development and retention hinges on a community’s ability to make available a skilled, adaptable, motivated and diverse talent pool. These pursuits are the very core of SAWDC’s daily mission. Our industry-driven, cluster based strategy enables us to ensure that the work we do is relevant to and meeting the need of our customer—business and industry.

The following pages provide a summary of activities for the **quarter ending March 31, 2017**. As a whole, SAWDC continues to operate utilizing a quality management tool that helps ensure that strategic objectives are aligned and have the appropriate measures in place to demonstrate progress against the organization’s goals. The SAWDC Strategy Map and Balanced Scorecard allow SAWDC to track its performance and report progress in a concise, meaningful way.

## SAWDC Strategy Map



## 2016 Year End Industry Survey Results

Each year, SAWDC conducts a comprehensive industry survey, which allows us to ensure that strategic objectives are aligned with industry needs. This year, **22 employers representing 32,885 employees** responded to the 2016 Year End Industry Survey.

<b>Date of Results</b>	1/12/2017	
<b>Total Responses</b>	<b>22</b>	
<b>Involvement</b>	<b>2016</b>	<b>2016</b>
Extremely Involved	12	54.5%
Somewhat Involved	9	40.9%
Not Involved	1	4.5%
<b>Cluster</b>	<b>2016</b>	<b>2016</b>
Aviation	4	18.2%
Healthcare	2	9.1%
Construction	2	9.1%
Maritime	2	9.1%
General Manufacturing	9	40.9%
Other	3	13.6%
		<b>2016</b>
<b>Total Number of Employees Represented</b>		<b>32,885</b>
<b>New Skilled Workers Needed in Next 12 Mnths</b>		3,122
<b>% of Total Employees</b>		<b>9.49%</b>

Employers reported a need for **3,122 new skilled workers** (including attrition) over the next 12 months and, simultaneously, expressed concern regarding the **quality, stability, and availability of the workforce**, which received an overall rating of **4.2 on a scale of 7.0**.

<b>Scale of 1 (poor) to 7 (great)</b>	<b>2016</b>
Availability of Workers	4.41
Quality of Workforce	4.50
Stability of Workforce	4.64
<b>Average</b>	<b>4.52</b>

<b>% Qualified Candidates</b>	<b>2016</b>	<b>% of Total</b>
Less than 10%	4	18%
10% (1 out of 10)	7	32%
20% (1 out of 5)	5	23%
25% (1 out of 4)	2	9%
33% (1 out of 3)	2	9%
60% and above	1	5%
Unknown	1	5%
<b>Average</b>	<b>19.1%</b>	

<b>Average Time to Fill Positions</b>	<b>2016</b>	<b>% of Total</b>
Less than one month	3	13.6%
one to two months	13	59.0%
three to four months	5	22.7%
five to six months	1	4.5%
<b>Average (in days)</b>	<b>60</b>	

This concern was further illustrated in their reporting of the **percentage of qualified candidates for entry level positions**, which remained low at **19%** or approximately one in five applicants.

Over **75% of the employers** who responded confirmed having **recruitment problems** with one-third reporting unfilled positions were increasing.

<b>Recruitment Problems</b>	<b>2016</b>	<b>% of Total</b>
Yes	17	77.2%
No	4	18.1%
No Response	1	4.5%

<b>Unfilled Positions</b>	<b>2016</b>	<b>% of Total</b>
Increasing	8	36.3%
Stable	12	54.5%
Decreasing	2	9.0%

<b>Recruitment Problems Limited to</b>	<b>2016</b>	<b>% of Total</b>
Community	6	27.3%
Industry	9	40.9%
Other	7	31.8%
No response	0	0.0%

<b>Investment in Training</b>	<b>2016</b>	<b>% of Total</b>
Increasing	8	36.3%
Stable	12	54.5%
Decreasing	2	9.0%
None	0	0.0%

When asked if the recruitment problems were limited to the community or the industry itself, **41%** of the employers indicated the **problem was industry-wide** while **27%** indicated that challenges were **community specific**. Most agreed the challenges were a combination of the two.

## Industry Partnership (“Cluster”) Model

Critical to our core mission, SAWDC has established and manages high-quality industry partnerships or clusters – a sound strategy for helping lower skilled individuals obtain and advance in good careers while at the same time ensuring that employers have high-quality skills that are needed to compete in today’s dynamic economy. SAWDC’s targeted industries – aviation, maritime, construction, manufacturing, and healthcare – were chosen due to the high demand and high growth prospects for these industries. Key elements of the cluster model are: the work is **industry led**; the work is driven by **sectoral workforce partnerships**; and the work is designed to serve **two sets of customers: businesses and workers**. SAWDC provides cluster management, project management, case management, and tracking services to the clusters.

## Participant Outcomes

To date, SAWDC has served 1,647 jobseekers managing 1,067 into jobs – 92% of which were within the targeted industry – with six and twelve-month retention rates coming in at 83% and 69%, respectively. SAWDC has also served 208 incumbent workers, who received an average 9.6% wage increase post-training and reported retention rates of 96% and 89% for six and twelve months, respectively. See the following page for cumulative outcomes for jobseekers as of **3/31/17**.

In order to better understand the fall-out for those who completed training (794 students) but do not successfully enter into a targeted industry job (153 students), SAWDC has tracked the reasons. The following chart, which covers all clusters, tracks 153 individuals, who have completed training but were unsuccessful in obtaining a job in the targeted industry. This represents 9% of the total jobseekers served. Close to half of the candidates were not recommended by the instructor due to a lack of employability skills (36%) or a lack of technical skills (11%).

### Jobseekers: Completed Training - No Job Placement

Lack of Employability Skills - NR	55	35.9%
Unable to Contact	46	30.1%
Lack of Technical Skills	17	11.1%
Did not meet company minimum standards	11	7.2%
Undecided	10	6.5%
Hiring Delay by Specific Employer	9	5.9%
Advanced Training/Edu	5	3.3%
Total	153	100.0%

<b>Total # Served</b>	1,647	100%	
<b>Job Placement</b>	1,066	65%	(% of served)
<b>Enrolled in Training</b>	1,174	71%	(% of served)
<b>Completed Training</b>	794	68%	(% of enrolled)
<b>Job Placement</b>	714	90%	(% of completed)
<b><u>Job Placement By Cluster</u></b>			
Aviation	25	2%	
Healthcare	69	6%	
Manufacturing	33	3%	
Maritime	939	88%	
Total	1,066	100.0%	
<b><u>Job Placement - Targeted vs. Non-Targeted</u></b>			
Targeted Industry	981	92%	
Non-targeted Industry	85	8%	
Total	1,066		
<b><u>Pre-Program Status</u></b>			
Employed	525	32%	
Not Employed	1,122	68%	
Total	1,647		
<b><u>Pre-Program Hourly Wages</u></b>			
No Wages Reported	1,012	\$0.00	61%
Most Recent Wages ( <i>all reporting</i> )	635	\$ 11.59	39%
Most Recent Wages ( <i>job placement or</i>	414	\$ 11.48	
<b><u>Post-Program Hourly Wages</u></b>			
Employed	1,066	\$ 14.21	
Increase Over Recent Wages ( <i>all reporting</i> )		\$ 2.62	23%
Increase Over Recent Wages ( <i>job placement only</i> )		\$ 2.73	24%
<b><u>Wage Summary</u></b>			
			% Increase Over Pre-Program
Pre-Program		\$ 11.59	
Post-Program		\$ 14.21	23%
6 Month Retention		\$ 15.44	33%
12 Month Retention		\$ 17.53	51%
<b><u>Retention</u></b>			
	<b><u>6 month</u></b>	<b><u>12 month</u></b>	
Retained	824	648	
Not Retained	124	203	
Missing/Unknown	43	91	
<b>Total</b>	991 <sup>5</sup>	942	
<b>% Retained</b>	<b>83%</b>	<b>69%</b>	



# Cluster Reports

## Maritime

The Maritime Cluster employers include shipyards, machine shops, fabrication shops, and contractors. Examples include Austal USA, BAE Systems, Horizon Shipbuilding, Ingalls, Myer Marine, AlaFab, Cenergy Partners, and Blakely Boatworks. The SAWDC provides intensive case management in partnership with AIDT Maritime Training Center, cluster management, tracking, and maintains persistent attention to the workforce needs of the employer members. Because of overlapping membership, the Industry Coordinator, who is based out of the AIDT Maritime Training Center (AIDT MTC), works closely with both the Central Gulf Industrial Alliance (CGIA) and the Gulf States Shipbuilders Consortium (GSSC).

## Cluster Management

### Industrial Trades Advisory Council

Close to fifty regional stakeholders participated in the January 11th Industrial Trades Advisory Council (ITAC) meeting co-hosted by SAWDC and Central Gulf Industrial Alliance (CGIA) and held at the AIDT Maritime Training Center. The industry-led Council was created in response to the numerous requests for employers to serve on advisory committees for training programs endorsed by the Central Gulf Industrial Alliance (CGIA). The ITAC forum allows for employers to work with education and training partners in one setting to provide a consistent message regarding their workforce needs. Austal USA, BASF, Evonik Industries, Ingalls Shipbuilding, Southern Company, Performance Contractors, SSAB, Chevron and a number of other regional companies participated alongside key education and training providers. Highlights of the meeting included the presentation of industry demand with a concentration on high-demand craft positions such as electrician, pipefitter, millwright, in the Southeast. Other key topics included a review of the CGIA Endorsement Program and its benefits, seasonal opportunities for instructors, and other topics as requested by the training providers.

### Maritime Manufacturing Day

The Alabama Community College System and AIDT in partnership with SAWDC hosted a Maritime Manufacturing Career Day at the AIDT Maritime Training Center on Tuesday, March 7th 2017. Over 300 high school students in career technical programs from Mobile and Baldwin County school systems as well as Satsuma and Chickasaw

attended the event. These students interacted with industry representatives from Austal USA, Southern Company, Ingalls Shipbuilding, Performance Contractors, Mitternight Boilerworks, WESCO, Technical Training Aids (TTA) and gained first-hand knowledge of the unique opportunities available close to home. Also on hand were training providers including Coastal Alabama Community College and Bishop State as well as the National Guard.

### **Case Management**

One of the main goals of the SAWDC Industry Coordinator is to prepare and position lower-skilled individuals to enter jobs and/or advance in their careers. The Industry Coordinator works alongside AIDT at the AIDT Maritime Training Center with key employer populations and all individuals, who enroll in training at the center. With a caseload of up to 250 students per year, the Industry Coordinator performs intakes and assessments on each client, develops individualized plans and formulates action plans to facilitate and monitor the progress of clients towards reaching their employment goals.

During the quarter, the Industry Coordinator worked with Austal, BAE Systems, HKA, VT Halter, Alabama Roll Products, North Baldwin Machine Shop, Worthington Industries, Romar Offshore, Horizon, Mitternight, Blakeley Boatworks, KBR, Alabama Heat Exchangers, and others to successfully manage students – past and present – into targeted industry jobs. Although demand for entry level welders has fallen over the course of the last year, it is expected to rise by mid to late 2017 because of both attrition and a major regional expansion.

### **Reporting**

The AIDT Maritime Training Center’s first structural welding/fitting day class of the calendar year began January 3<sup>rd</sup> with 35 enrolled. With close to half of the students either withdrawing for such reasons as lack of transportation or child care, pointing out due to poor attendance or attitude, or just not showing up on the first day, only 18 completed the class on March 23<sup>rd</sup>. To date, 7 have been placed into targeted industry jobs; 1 has entered into additional training; and the industry coordinator is working with the remaining 10 to position each into jobs within the next 30 days.

A second structural welding/fitting class, this one occurring in the evening, also began on January 3<sup>rd</sup> with 33 students. Although not concluding until April 12<sup>th</sup>, 10 have withdrawn, one was considered a “no show” on day one of training and one pointed out due to poor attendance. FY2017 second quarter aggregate numbers are as follows:



### Summary of FY2017 2<sup>nd</sup> Quarter Maritime Training Data

Enrolled	68	%
Remain in Training	21	31%
Completed	18	26%
Job Placement	7	10%
Job Search	9	13%
Additional Training	1	1%
Withdrew	17	25%
No Show	7	10%
Dropout/Attendance	5	7%

Since July 2012 when SAWDC began providing services to AIDT at the Maritime Training Center, the Industry Coordinator has served 920 jobseekers with 912 enrolling in training. Of those enrolled, 653 (72%) completed and 581 (89% of completers) were successfully managed into jobs.

#### Aviation Cluster

The Aviation Cluster employer members include Airbus Final Assembly Line (FAL), VT Mobile Aerospace Engineering, Continental Motors, Segers Aero Corporation, Star Aviation, Certified Aviation Services, and UTC Aerospace System. The SAWDC provides cluster management, project coordination, case management/tracking, and maintains persistent attention to the workforce needs of the employer members.

#### Cluster Management

SAWDC convenes the partnership on a quarterly basis, providing project coordination, case management and tracking. Over twenty industry and training leaders convened on Wednesday, February 15th, at SAWDC's latest Aviation Cluster meeting. Industry demand served as the centerpiece with key employers discussing the challenges associated with finding qualified workers for high demand occupations, such as airframe mechanics. In addition, updates were provided on the newly consolidated Coastal Alabama Community College, the aviation college's progress on curriculum development for the new airframe mechanic program set to launch in August, and dual enrollment centered around aviation demand in Region 7.

## SAWDC Aviation Cluster Leadership Trip to Wichita, KS

Representatives from Airbus Final Assembly Line, VT Mobile Aerospace Engineering, AIDT, and the Alabama Community College System, traveled to Kansas for a two-day visit with leaders from Wichita's aviation industry. Organized by SAWDC, the visit focused on identifying successful practices, which can be replicated locally in order to prepare the region's workforce for careers in aviation. This includes learning how to build effective partnerships between the aviation industry and local educators and career pathways for entry-level workers.

While in Wichita, the Region 7 delegation met with major aviation employers such as Spirit AeroSystems and Airbus officials at Wichita State University and Wichita Area Technical College to understand how industry and education work together to ensure that students are learning the necessary skills to thrive on the job. A tour of Spirit AeroSystems operations was included, along with a walk-through of the Innovation Campus at Wichita State University, which serves as an example of a synergistic partnership between a public university and private sector aviation employers. Aviation companies met with their Wichita counterparts to understand how business leadership can improve their workforce and strengthen their community.

### **Project Coordination**

Since inception, four programs have been developed and implemented: Basic Composites, Advanced Composites, Leadership/Project Management Training, and, the most recent incumbent worker training initiative to train painters. SAWDC facilitated the MAAS Aviation Incumbent Worker Training program, which commenced in August 2016. The partnership included Bishop State, who provided the training, and Mobile Works, who provided on-the-job training (OJT) resources. Altogether, a total of 170 candidates were interviewed with 43 selected for pre-hire training. Of the 43, a total of 27 were hired and immediately entered into training. All received aviation training certificates in early January 2017.

The Industry Coordinator is providing assistance to VT Mobile Aerospace Engineering with their *Aviation Behavior Based Safety Training*. In conjunction with Alabama Technology Network, this training program will educate their workforce about the importance of incident prevention and cost reduction. This program is expected to kick off in March 2017. The regional council approved a recent Existing Industry Training Program (EITP) grant request, which is expected to be funded through the Alabama Community College System (ACCS). Additionally, the Industry Coordinator is also aiding VT MAE with their emerging airman program, which is expected to kick off in mid-July 2017. The Industry Coordinator, in partnership with the Alabama Aviation Center and Bishop State, will assist with recruitment including assessment and case management services.

Furthermore, the Industry Coordinator is working with Segers Aero Corporation on a program, which would take incumbent workers from their Accessory and Modules Shop and provide career advancement opportunities to achieve the airframe mechanics license. This program is also expected to be eligible for IWTP funding by way of the ACCS.

### **Case Management**

At present, the Alabama Aviation College has 114 students enrolled in training. Of the 114, twenty-four are projected to graduate in May of 2017, twenty in August of 2017, and ten in December 2017. The remaining 60 have recently entered the program and are slated to complete in 2018. The Industry Coordinator is working closely with the Director of the Alabama Aviation College to provide case management and job placement services to these students upon graduation.

### **Additional Efforts**

The Industry Coordinator works closely with the Association of Women in Aviation Maintenance (AWAM), a nonprofit organization open to both women and men for championing professional growth in aviation maintenance fields. The Industry Coordinator works with the local Gulf Coast Chapter to promote scholarship opportunities, information sharing, and networking events. On Wednesday, March 8<sup>th</sup> 2017, a current student at the Alabama Aviation College was awarded a \$5,000 scholarship from Airbus through AWAM.

## 2017 SAWDC Worlds of Opportunity

Planning is well underway for the 2017 SAWDC Worlds of Opportunity, which will be held at on September 21<sup>st</sup> and 22<sup>nd</sup> at the Mobile Civic Center. More than 10,000 students, educators, business leaders, and volunteers from the nine counties of Southwest Alabama will converge over a two-day period to experience the event. The SAWDC Worlds of Opportunity Career Expo is an industry-led initiative that pulls together regional companies to engage students through hands-on, career related activities over the two-day event. The 2017 expo will showcase 13 industries: Aerospace, Automotive, Communications, Construction, Energy, Engineering & Design, Healthcare, Hospitality & Tourism, Information Technology (new), Public Safety, Safety, Shipbuilding and Repair (Maritime), and Manufacturing. For more information, visit [www.worldsofopportunity.org](http://www.worldsofopportunity.org). 2017 Sponsors to date include Alabama Power, Georgia Pacific, Exxon Mobil, Go Build Alabama, G.A. West, AM/NS Calvert, Austal USA, Ingalls Shipbuilding, Bishop State Community College, and Maynard, Cooper & Gale PC.

### SAWDC Sustainability Plan

SAWDC's sustainability planning, supported by the National Fund for Workforce Solutions and the Kellogg Foundation, was completed on February 28<sup>th</sup>. The three focus areas included Partnership Alignment; Board Development and Sustainable Financial Model. A copy of the final plan is included with this report.



## Delta Regional Authority Region 7 Rural County Study Complete

SAWDC and representatives from Jobs for the Future presented the findings and recommendations from an eleven-month long analysis of current and projected education and workforce development needs in the rural counties of Region 7 to the SAWDC Board of Directors followed by a webinar for elected officials in February 2017. The Delta Regional Authority-funded project, which is now complete, is expected to serve as a guide for SAWDC and its partners to develop programs and systems-based policies to build a more connected, comprehensive workforce system among education systems and business and industry sectors. To view the final report, click [here](#).