



Oregon Manufacturing Workforce Strategy Summary of Forum on High Performance/Lean Manufacturing

A cross-section of manufacturers, education and training providers, workforce development professionals, and state agency representatives attended this forum at the Northwest Viticulture Center on Nov. 13, 2007.

A summary of major presentation and discussion points appears below. The PowerPoint presentation delivered at the event is available at OregonManufacturing.org.

Introduction

- Overview of the Oregon Manufacturing Workforce Strategy
- Relationship to Oregon Workforce Investment Board (OWIB)
- Year-One Accomplishments

Major Points

- The state recognizes manufacturing as a critical economic sector. Gov. Kulongoski directed resources to support year-one implementation of the business-led strategic plan.
- This initiative is part of OWIB's overall strategic investment in building high-performance workplaces and the skilled workforce needed for innovation and competitive advantage.
- We must stop debating the merits of lean and move on with adoption of lean practices—a critical component of maintaining the state's existing manufacturing base.
- The skilled worker shortage is already here. It will increase dramatically across all worker levels over the next decade. Are we ready?
- First-year activity focused on building the infrastructure to address complex challenges, including establishment of a steering committee, seed funding regional high-performance consortia, and developing a manufacturing Web portal.
- Funding will continue for year two, but at less than 50% of the first year's level. All partners must work collaboratively and strategically to achieve impact (i.e., quantify goals, get on same page, etc.).

Morning Session: Adopting High- Performance

- Baseline Data on Lean
- Updates on Regional High-Performance Consortia
- Stories from the Trenches

Major Points

- 54% of Oregon manufacturers report they have a "ways to go" in implementing lean, and 29% suggest they are "unfamiliar" with lean principles and practices.
- With current staff and resource levels, it would take the Oregon Manufacturing Extension Partnership (OMEP) 17 years to address the needs of Oregon's 6,000-plus manufacturers.
- Six high-performance consortia, comprising approximately 200 companies, are now operational across Oregon. Most were seed-funded, and all are receiving some level of staff support through grant funds.
- Each consortium is unique in its membership and activities, but all agree on the benefits of participating in a "learning network."
- Profiles on each consortium and quarterly updates appear at www.oregonmanufacturing.org/node/246.
- Stories from the trenches underscored key points: involve all staff, this takes time, mistakes are OK, build your existing talent pool.



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Afternoon Session:

Building a Model to Address the Skilled Worker Shortage

Major Points

- Dozens of groups and initiatives exist across the state that involve some aspect of manufacturing-related workforce activity.
- The **Oregon Manufacturing Workforce Strategy Model** is an attempt to visually “connect the dots” among the various groups and link all efforts to the goals of the manufacturing strategy.
- Manufacturing consortia, both industry-based and high-performance related, form a “network of networks” that can serve as an efficient means for aggregating demand and transmitting workplace requirements to education and training providers.
- Many groups have conducted surveys in an attempt to identify workforce issues and demand-side requirements. Significant convergence of agreement exists regarding foundational needs and technical shortages.
- The **Skills Pyramid**, developed by the Department of Labor in partnership with major manufacturing organizations, was offered as a starting point for conversation regarding competencies that all workers in a modern high-performance environment must exhibit.
- We have been talking for five years about “why” we need to change, and it looks like significant agreement exists about “what” needs to change (competencies, delivery systems, etc.). We now need to move aggressively to “how” we are going to respond.

Wrap-Up:

Guiding Year-Two Implementation

*(priority order to
be established by
Steering Committee)*

Major Points

- **Use data to drive accountability:** (1) Highlight the impact of manufacturing to the economy (e.g., What will happen if plants shut down or leave?) and (2) quantify the skilled workforce shortage, by region, industry and occupation—and set targets.
- **Stabilize existing high-performance consortia:** (1) Provide continued lean training for members and (2) position them as intermediaries with education and training providers.
- **Focus workforce efforts:** (1) Identify and share effective demand-driven models; (2) use career pathways to link secondary schools, community colleges and universities; and (3) support apprenticeship as a vehicle for addressing higher level skills through on-the-job training.
- **Launch an awareness campaign:** (1) Promote the benefit of being prepared for both college and the world of work; (2) target young adults, in-school youth, and those that influence their decisions; and (3) identify and share best practices.
- **Develop a common legislative agenda,** including a comprehensive, multi-year investment strategy that clearly defines the manufacturing workforce problem and illustrates various players’ roles in addressing it.