



WISCONSIN LEGISLATIVE COUNCIL

IMPROVING EDUCATIONAL OPPORTUNITIES IN HIGH SCHOOL

Room 411 South
State Capitol

July 16, 2012
10:00 a.m. – 3:10 p.m.

[The following is a summary of the July 16, 2012 meeting of the Special Committee on Improving Educational Opportunities in High School. The file copy of this summary has appended to it a copy of each document prepared for or submitted to the committee during the meeting. A digital recording of the meeting is available on our Web site at <http://www.legis.state.wi.us/lc>.]

Call to Order and Roll Call

Chair Olsen called the committee to order. The roll was called and a quorum was present.

- COMMITTEE MEMBERS PRESENT: Sen. Luther Olsen, Chair; Rep. Paul Farrow, Vice Chair; Sens. Tim Cullen and Glenn Grothman; Rep. Sony Pope-Roberts; and Public Members Joni Burgin, Bill Fitzpatrick, Joe Garza, Robert Hein, Patricia Hoben, William Hughes, Suzanne Kelley, Jim Leef, Jeff Monday, Harry Muir, Patricia Neudecker, Sheila Ruhland, and S. Mark Tyler
- COMMITTEE MEMBER EXCUSED: Public Member Mark Kaiser.
- COUNCIL STAFF PRESENT: Jessica Karls-Ruplinger and Rachel Letzing, Senior Staff Attorneys.
- APPEARANCES: Sen. Mary Lazich, Co-Chair, Joint Legislative Council; Laura Rose, Deputy Director, Legislative Council Staff; Dennis Winters, Chief Economist, Department of Workforce Development; Jim Morgan, Vice President, Wisconsin Manufacturers and Commerce; Tim Sullivan, Special Consultant for Business and Workforce Development to Governor Walker; and Melanie Holmes, Vice President, World of Work Solutions, ManpowerGroup.

Opening Remarks

Senator Mary Lazich, Co-Chair, Joint Legislative Council, and Laura Rose, Deputy Director of the Legislative Council Staff, welcomed the members of the Special Committee. Senator Lazich explained how the committee members were selected and the role of the committee. Ms. Rose thanked committee members for serving and explained that public membership on legislative study committees

is unique to Wisconsin. She noted that the committee has a page on the Legislative Council website where all committee materials and a digital audio recording of each meeting will be posted. Ms. Rose said that the only rule in Legislative Council committees is that a committee member must be present to vote. She said that the committee's recommendations will be forwarded to the Joint Legislative Council and, if approved, to the full Legislature.

Chairperson's Remarks

Chair Olsen thanked committee members for coming and noted the high number of people who applied to be members of the committee. He said his goal is to meet once a month and be done by January 1, 2013.

Chair Olsen said that college and career readiness is a major topic of interest across the country. He thanked Representative Farrow, Vice Chair, for suggesting the study committee topic. Chair Olson noted that although the study topic is big, the great expertise of the committee members will help narrow the focus of the committee's work.

Presentation by Invited Speaker

Dennis Winters, Chief Economist, Department of Workforce Development (DWD)

Mr. Winters presented data regarding the economic and jobs recovery since the most recent recession, the changes to workforce skill sets over the last 40 years, and Wisconsin's declining workforce. Mr. Winters explained that the workforce growth in Wisconsin will become flat due to the retirement of baby boomers and that the state must therefore increase the productivity of its workforce. He described the changes in skills needed in the workplace, noting that nonroutine interactive skills and nonroutine analytical skills are increasingly required.

Mr. Winters then described the job openings by occupational group, the top occupations with the most new jobs, the fastest growing occupations, the most "in demand" occupations in the state for 2008 to 2018, and the correlation between education and earnings. He emphasized the need for investment in education and training and for the talent supply to match the demands of industry.

Mr. Winters concluded with the following general policies for the committee to consider: invest in early childhood development, especially for at-risk kids; do not ignore the "invisible 80%" since 70% of jobs will not require a bachelor's degree; and create high-end jobs in the state in order to keep the best and the brightest here.

Chair Olsen expressed concern that many of the top occupations with the most new jobs pay less than \$30,000 and noted that many of the fastest growing jobs are not higher wage jobs. Mr. Winters said that lower paying jobs require little training and that a post-secondary education is necessary to get a job that pays more. He stated that two-thirds of the jobs that will be created over the next 10 years are replacement jobs, not new jobs.

Ms. Kelley noted that the slide which shows the top occupations with the most new jobs does not show replacement jobs that will need to be filled because of retirements. Mr. Winters stated that he could provide that data to the committee.

Ms. Ruhland asked whether the salaries for the top occupation with the most new jobs are based on full-time work. Mr. Winters said that the data for is usually calculated using a 40-hour work week.

Senator Grothman asked whether there has been a change in the number of 16- and 17-year olds working today compared to 30 years ago. Mr. Winters said he would need to look at the data, but explained that the unemployment rate for people 16 to 18 years old is very high today and that a lot of older people are taking those jobs because there are fewer jobs available. Senator Grothman said people should be mindful that many college graduates are looking for jobs and that post-secondary education is not always the key.

In response to questions from Chair Olsen and Representative Farrow, Mr. Winters explained that there is currently a skills mismatch between job seekers and requirements of employers. He stated that to address this problem, the educational community should work to train students in both soft skills and technical skills to their maximum potential, which will require more resources. Mr. Winters stated that a pathways or bridges model may be better than the current grade model at giving students the basic skills necessary to go into the workforce or into post-secondary education.

Introduction of Committee Members

At Chair Olsen's request, the committee members introduced themselves and explained their interest in serving on the committee.

Presentations by Invited Speakers

Jim Morgan, Vice President, Wisconsin Manufacturers and Commerce (WMC)

Mr. Morgan gave a PowerPoint presentation regarding the workforce paradox in Wisconsin. Mr. Morgan explained that he has met with over 350 manufacturers across the state in an effort to identify how the state can have a 7% unemployment rate, yet manufacturers are unable to find qualified workers. He noted that although there are many organizations working on this problem, it is more difficult to address in Wisconsin because of the state's long tradition of local control.

Mr. Morgan said that manufacturers identified a number of issues that contribute to the workforce paradox, including job seekers' work ethic and the lack of accurate information about the job market and the skills that are in demand. He said that students do not have accurate information about the benefits of technical college education or the current job market where only 30% of jobs require a bachelor's degree or more. He explained that part of this disconnect is because manufacturers have not been involved in K-12 education and have not been communicating what manufacturing is really like. He said that in order to figure out how to keep qualified workers and have a pipeline from school to work, students need help to make informed college and career choices.

As a result of a conference held in March 2012, Mr. Morgan said that WMC has determined the following areas of emphasis: identifying and publicizing the best practices in the state; launching a statewide awareness campaign about what is going on in manufacturing, including what those jobs pay, the necessary skill sets, and how many people are employed in manufacturing; assisting communities in forming local and regional business and education partnerships; and creating statewide partnerships with state agencies, technical colleges, schools, and manufacturers.

Ms. Kelley asked whether manufacturers identified specific areas where policy changes can be made in the short term. Mr. Morgan said that schools should recognize different forms of competencies rather than traditional credits and invest in career and technical education while changing the attitudes about the value of those classes.

Ms. Neudecker asked what the manufacturing industry would do if schools could guarantee competencies by the end of 10th grade. Mr. Morgan said if the system were set up with that expectation, employers would provide many opportunities for them.

Mr. Tyler explained that he has been working with others to create a manufacturing career path, but current programs like Youth Apprenticeship and Youth Options have requirements and rules that act as barriers to business, school district and technical college participation, and he would like to see those addressed.

Mr. Hughes noted that in his experience, there is little collaboration among school districts and manufacturers and a lot of work needs to be done regarding alternative teacher certification.

Tim Sullivan, Special Consultant for Business and Workforce Development to Governor Walker

Mr. Sullivan explained that he is the past Chief Executive Officer of Bucyrus International. In addition, Mr. Sullivan said that he was the Chair of the Council of Workforce Investment under Governor Doyle and that at the request of Governor Walker, Mr. Sullivan is preparing a report which contains the Council's recommendations regarding the skills gap in Wisconsin. Mr. Sullivan said that he expects the report to be completed within four to eight weeks. He highlighted for the committee some of what the council has learned and how it dovetails with education:

- \$280 million out of the \$11.5 billion state K-12 education budget goes toward career and technical education, which is 2.5%, even though 70% of jobs require a two-year degree or no post-secondary degree. Mr. Sullivan said that unless a more robust curriculum to teach career and technical education in the K-12 system is created, the skills gap will not be solved. He said that according to a Georgetown study, by 2018 the state will need to replace about 1/3 of its current workforce and that most of those jobs require a two-year associate's degree or technical college degree. He said that without a K-12 pipeline to address those needs, the state will not be able to fill those jobs, so we need to rethink the current approach.
- Nine percent of the \$1.1 billion technical college system budget is for remediation for high school students, which reflects that students are not being pointed in the right direction in high school and means that taxpayer money is not being well spent.
- Over 60% of school districts report declining enrollment and there has been a negative net migration of workers from Wisconsin over the last eight or nine years. Mr. Sullivan explained that for the medium and long term, there is a population issue that will stymie economic development.
- Last semester, technical colleges had 6,000 students enrolled who already had a four-year degree but could not find employment. Mr. Sullivan said that competency needs to be put back into K-12 objectives and students need to be put in the right direction. He also noted that there is a shortage in some occupations such as engineering, so there needs to be a

stronger emphasis on science and technology in the K-12 system to drive even the four-year college students to where the jobs are.

Chair Olsen asked whether the report will contain specific recommendations regarding the K-12, technical college and four year college systems. Mr. Sullivan said that the report will be specific, will identify and assimilate best practices, and make recommendations based on those practices but with a Wisconsin brand. He said that in order to pay for it, there needs to be some reallocation of resources and not new taxes. He stated as an example that if we can improve performance and competency, the need for remediation at the technical college level should decrease and essentially create new money.

Senator Cullen asked Mr. Sullivan to explain more about the complexity of these issues. Mr. Sullivan explained that because school district budgets in Wisconsin are driven by property taxes, there needs to be a plan that addresses local autonomy but also gets the districts moving in a direction that makes sense at the local and the state level. He said that due to the very decentralized school districts, University of Wisconsin (UW) System, and the technical college system, affecting change is more complicated here than other states, but the right plan should be embraced by the Legislature and the districts.

Ms. Neudecker asked whether there is a difference between a high school diploma and competency. Mr. Sullivan said that a high school diploma does not always mean competency, especially in situations where remediation in a technical college or four year college is required. He said there needs to be discussions around competency and not grade levels. He noted that the recent UW-Extension announcement was critical in that it involves competency testing, which is a precursor to broader discussion about when students should be able to graduate from high school.

Chair Olsen said that the committee would have Mr. Sullivan speak again after the report is completed.

Melanie Holmes, Vice President, World of Work Solutions, ManpowerGroup

Ms. Holmes gave a PowerPoint presentation on the ways in which the world of work is changing and has changed dramatically and how the preparation of the workforce needs to change.

She described the global forces that are changing work, including the widening gap between the have and have-nots, which means people are not getting the education, skills, or jobs they need; baby boomer retirements; and minorities becoming the majority so that diversity will become even more important. She explained that human dynamics have also changed, which means people have access to more information, demand more choices, and expect more flexibility from employers. In addition, she noted that technology has changed how people work and who works, especially people with disabilities. She explained that because technology changes so rapidly, if education and skills do not keep up the state will not create the workforce it needs. She said that the new reality is the human age in which the focus is on human potential.

Ms. Holmes then explained the Manpower Group survey which includes information on the percentage of employers worldwide having difficulty finding people to work. She expressed concern that businesses do not think that the talent mismatch or talent shortage is a big issue, even though as the problem gets worse employers will struggle to find workers. She noted that the educational requirements vary for the top 10 hardest jobs to fill in the country, but said that virtually every job on the list would require at least a technical degree to get, except drivers where criminal background checks

and drug tests can be barriers. She identified reasons why employers are having difficulty finding competent workers, and noted that soft skills and lack of experience are issues that can be addressed; for example, the state needs to figure out ways to give kids work experience in the educational system and need to explicitly teach kids the soft skills employers are looking for.

She then described Wisconsin data regarding industry size and growth by sector; occupation size and growth; and the fastest growing non-professional and professional occupations. She noted that there is negative population growth for people 15 to 24 which does not bode well for the future.

Ms. Holmes offered the following suggestions to improve the talent mismatch: look closely at school counselors – the ratio of kids to counselors is large and counselors should focus more on career counseling; show kids there are options; teach career exploration and what types of careers are out there; teach soft skills and work ethic, which must be explicitly taught to kids who have no role models; give kids experience with work; and change the perception of devalued careers in society.

In response to questions from Ms. Kelley, Ms. Holmes said that she speaks to high school groups of teachers and counselors primarily in Milwaukee and that Manpower's data is publicly available on its website. She noted that businesses need help in understanding how to create good meaningful internships for kids. Mr. Tyler then explained how his company utilizes interns.

Mr. Garza asked what the fastest declining jobs are. Ms. Holmes said she would provide that data to the Legislative Council staff who can distribute it to committee members.

Discussion of Committee Assignment

Chair Olsen said that based on today's information, the committee is tasked with multifaceted problems – a skills gap, and engagement problem, a desirability to change problem, and incentive and communication problems. He then asked committee members to describe how the committee can best utilize future meetings, including any additional speakers they would like to hear from, and explain their ideas for solving some of those problems.

Ms. Neudecker said she wanted the committee to have a common understanding of how the K-12 system works before deciding on changes that are needed, including information about state standardized testing, what a credit is, how a high school diploma is earned, and the Youth Options program. Chair Olsen offered to ask the Department of Public Instruction to talk about those items in more depth and to also hear from districts that are implementing them.

Ms. Ruhland stated that the committee may need to define whether it will address the involvement of technical college, two year, and four year college systems. She said she would like to look at high school dual enrollment, high school credit requirements and explore avenues for career and technical pathways guidance earlier in high school.

Ms. Burgin said she would like to have speakers on certification and credits and to hear from people who can speak to the change process that has occurred in districts that have tried different ways of certifying learning. Chair Olsen asked Mr. Fitzpatrick to speak about his district and also mentioned recent efforts at CESA 6.

Mr. Fitzpatrick said that he would like to find ways to centralize or regionalize some of the current efforts districts are implementing and noted that high schools cannot do it all on their own and do it well.

Representative Farrow said he is also a member of the Governor's P20 Council which has been looking at when to initiate individual learning programs and ways to get kids to understand the idea of careers. He said that changing the high school model will affect the K-8 and post-secondary models also. He stated that he wants to hear about best practices and then determine how to scale them, ways to reallocate current education funds, performance based outcomes, and ways to build pathways from high school to careers and tell kids how to get there.

Mr. Muir wondered whether the committee will explore big changes regardless of fiscal and regulatory constraints or smaller changes to specific aspects of the system. Chair Olsen suggested having people who have already looked at the next generation of education who may have answers to some of the problems speak to the committee to determine how to make those changes happen at the state level. He said the committee can also look at smaller changes to existing specific programs.

Mr. Hughes wondered whether choice and charter schools are part of this discussion. He noted that there are challenges to replicating high quality high schools in cities, including current funding formula.

Ms. Neudecker said it is important for the committee to hear about federal policy issues, including accountability, testing, and the state's waiver from No Child Left Behind.

Mr. Leef said that businesses are willing to get involved in Youth Options or Youth Apprenticeship, but they are worried about ages of participating kids and wondered whether the Second Chance program has found a solution to that issue. Mr. Tyler said that the age concern is generated by insurance companies and people's inaccurate perceptions of modern equipment. Chair Olsen offered to have Second Chance Partners and Jobs for American Graduates speak to the committee.

Ms. Hoben stated that college bound students in her high school receive work experience through school. She said that remedial education in urban centers is a problem and would like to hear from Milwaukee Area Technical College and UW-Milwaukee about how they handle remedial education and their ideas for how to stop it. Ms. Ruhland said that remedial education directly out of high school is different than remedial education for people who return from the workforce or return after getting a four-year degree. Mr. Tyler offered to provide information on the background of incoming technical college students and noted that having adults return to high school to receive remedial education would be a nonstarter for most adults.

Ms. Neudecker said it would help to understand what the "skills gap" means. She said that it is important to focus on high school remediation, not remediation for adults in the workforce who need to be retrained or reeducated for certain types of jobs. She said the committee needs to remember that the current system is losing a lot of kids, not just at-risk kids.

Mr. Garza said that the committee needs to narrow its focus. He expressed concern about the many changes coming in public education, including accountability and common core, and wondered how to meld these changes and 21st century learning with the current system. He said he would like to hear about current efforts to accomplish this.

Mr. Hein emphasized that there are different types of remedial education and that the committee should consider all of them.

Other Business

The committee members considered possible dates for the next meeting, which will be held at the call of the Chair.

Adjournment

The meeting was adjourned at 3:10 p.m.

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