



TREASURE COAST SKILLS GAP STUDY



2019 Treasure Coast Skills Gap Study Executive Summary

Indian River, Martin & St. Lucie Counties

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January, 2020

Skills Gap 2.0

PURPOSE OF THE STUDY

Strategic partners on the Treasure Coast have joined forces in 2019 to quantify the region's difficulty in finding qualified candidates for specific skills sets and to develop actionable solutions as a follow up to the 2017 Treasure Coast EDC Skills Gap Study. The goal of the Skills Gap 2.0 report is to assist business, education, government, and community economic organizations to strengthen the alignment between their missions and goals. The study:

1. Quantifies the region's workforce requirements.
2. Develops a new set of strategies to expand the talent pipeline in the targeted industries.
3. Reviews the progress made by the community on the implementation of recommendations from the Treasure Coast Skills Gap Report in 2017.

RECOMMENDATIONS

The recommendations emerging from the 2019 Skills Gap Study focus on reinforcing the existing talent pipeline infrastructure with the expansion and strengthening of existing community, business, and educational partnerships and strengthening the alignment between their missions and goals. If you want talent to flow to the workforce, you need an infrastructure with road signs to move the talent along.

RECOMMENDATION #1 - NAVIGATE TALENT TO HIGH DEMAND CAREERS

1. **Students & Graduates** - Starting in middle school, navigate students to career pathways for jobs in demand through School to Work programs offered in partnership with business and Education and through the use of social media including such vehicles as Boot Camps, Business tours, and videos developed locally.
2. **New Employees Career Charting** - Navigate new employees to the career opportunities in the company to increase retention. HR becomes a career counseling service to encourage employees to pursue additional training offered either through the company or through community resources.
3. **Parents, Career Counselors, and Teachers** - Market career occupations to parents through PTA organizations, online or special events to assist parents in guiding their children to in demand careers locally. Forty-eight percent of students report they seek career information from their parents in deciding their plans after high school (Kines & Laney, 2019). Increase opportunities for Career Counselors and teachers to learn about the different career pathways at companies in the region.
4. **State of Jobs Conference (SOJC)** – Conduct a SOJC annually and include a segment for parents. The program offers students an opportunity to meet professionals in the industry,

understand what the jobs in the region look like, and to learn about new career opportunities not learned in the classroom.

5. **Stackable Certifications** - Market the option of obtaining stackable certificates through training at IRSC and other Technical Colleges to advance a career that earns a middle-income wage.
6. **Closing the Gap in the Last Mile**– Recruitment methods selected by companies are based on the likelihood of identifying qualified talent for the open positions. Employers reported difficulty following up with candidates after recruitment events at job fairs and classroom presentations. The employer is seeking assistance from event sponsors to motivate the applicants to apply for the for the jobs. Manufacturing and Skilled Trades reported the greatest challenges and expressed concern that students are more likely referred to larger employers.
7. **Career Path Website** – Create an online inventory or map of the talent pipeline resources in the region that identifies training and recruitment options, directs interested and qualified candidates to careers in the region, and highlights the factors that identify the region as a competitive area to do business. Include locally produced videos that highlight career options in the area.

RECOMMENDATION #2 - CAPACITY & RESOURCES TO TRAIN THE WORKFORCE

1. **Apprenticeships** - Increase capacity of Pre-apprenticeship and Apprenticeship programs and encourage participation by employers and high school graduates to see this as a career pathway.
 - Expand the Industrial Manufacturing Technician program
 - Implement the Logistics apprenticeship
 - Establish an annual calendar for Apprenticeship training to increase student certification.
2. **Apprenticeship Ambassador** – CareerSource Research Coast manages the recruitment of companies interested in hiring an apprentice. Identify resources to support the recruitment process to expand participation by area businesses, particularly small companies where apprentices will be able to hone their skills. Marketing and recruiting students for the program can take months to complete. A dedicated resource would increase participation thus increasing skilled workers in the workforce.
3. **Health Care**
 - Expand Instructional Staff– Qualified professionals are needed to expand training capacity. Provide special legislative funding, for up to 10 years, to educational institutions with a high pass rate for certification tests, to hire health care faculty in the high demand fields to build the Health Care talent pipeline.
 - Joint Use Agreements - Expand joint use agreements to allow faculty to remain in the classroom. Faculty are required to be at each site, taking them out of the classroom. If hospitals provide financial support for hospital staff to supervise clinical rotations, faculty can stay in the classroom to increase teaching capacity.
 - Medical Technology Training - Seek funding to purchase the updated medical equipment for the classrooms that mirrors technology in the hospitals.

4. **Skilled Trades/Marine/Manufacturing/Aviation**

- **Increase employer engagement with education** – Continue to engage businesses to participate in training programs to assist in preparing the student with the skills needed through hands-on experiences. Employers can market the career options and pathways in different industries. Consider working with student associations Future Builders of America.
- **Expand the capacity of existing programs**- More resources are needed to expand the capacity of existing programs to increase the number of trained workers entering the workforce. (Boot Camps, Technical Vocational programs, Apprenticeships, Company tours, SME's in the classroom.)
- **Hire & Train** – Increase employer willingness to hire trained but not experienced workers with hands-on experience.
- **Use of Industry Associations** – Increase coordination between industry associations and education to connect with more companies seeking to fill positions with education and training sources. Industry associations can assist the smaller companies to connect with education. Small companies are a great place for students to hone their skills.

1. **Logistics**

- Develop a local CDL driver training school - There is a shortage of CDL B Drivers in the region. Currently, potential candidates are relocating to South Florida to obtain a certification with sufficient driving hours to meet the employer requirements of employers. Several companies have initiated internal driving programs for willing candidates. A local school would increase the number of local candidates to address the high turnover and aging employee pool.

RECOMMENDATION #3 - SCHOOL TO WORKFORCE PROGRAMS

Expand the number of students that can participate in school to work programs including K-12, Post-Secondary, and community-sponsored programs. The region has a defined infrastructure with road signs to guide talent to the workforce. During the interviews and focus groups the following were attributes of exiting workforce development programs currently being offered in the Treasure Coast were discussed. These attributes should continue to be incorporated in new or expanded programs.

- Hands-on and real-world experience with tools and technology used in the industry
- Knowledge of career pathways in the industry
- Understanding of the knowledge, skills and mindset to do the job to navigate successfully in the workforce.
- Strong partnerships between education and industry to delivery current skills training.

RECOMMENDATION #4 - LEADERSHIP

“*Just Get started*” was the rallying cry at the start of the 2017 Skills Gap study. The community received a set of recommendations developed by employers, educators, students, industry associations, led by the Economic Development community at the conclusion of the study. The community partnerships formed between 2016 and 2019 have proven their collective worth in the implementation of a number of success activities as a result of the study: expanded partnerships between education and business, expanded business participation including apprenticeships, internships, boot camps, and more were outlined as the first step in implementing a range of solutions.

“There was more interest in the process in 2019 because we know how you used our input. You valued our time and input.” Education staff Interview

Now the community is recommending the expansion of the resources to increase the numbers impacted.

The 2019 Skills Gap 2.0, study again offers recommendations developed by the community that expand the work accomplished over the past two years by the community and identifies new strategies to address new issues. The St. Lucie EDC has built a strong collaborative leadership model that was reinforced throughout the focus groups and interviews. When asked “What is your reason for participating in the survey?” the response was “*There was more interest in the process in 2019 because we know how you used our input. You valued our time and input.*” The Skills Gap 2.0 recommendations are intended to provide a road map for the next leg of the journey

Workforce solutions evolve over time to reflect the changes in business needs and workforce conditions. Technology will highlight the opportunities. Community will again require affective leadership to align the mission and goals of all partners to implement strategies designed to assure the flow of talent to the workplace. The mission will require continuous stewardship and leadership to address the changing needs of the region’s workforce. As one business leader said, “We like the direction of the EDC. Just keep heading in that direction.”

OVERVIEW OF STUDY

Study Parameters - The Skills Gap 2.0 focused on three counties in the Treasure Coast region - Indian River, Martin, and St. Lucie Counties, and six industry sectors – Health Care, Manufacturing/Marine/Aviation, Skilled Trades, and Transportation/Warehousing (Logistics).

Methodology – Findings are based on a series of confidential interviews, an online survey of four industries, and industry focus groups. The participation in the 2019 Sills Gap study *exceeded* participation in 2017.

Process	2019	2017
Online Survey	114	110
Confidential Interviews	24	13
Focus Groups/Participation	5/50	4/35

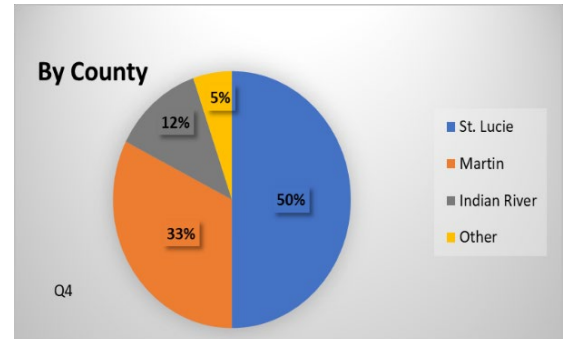
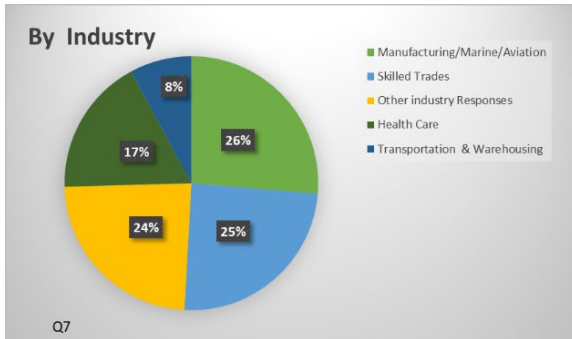
The study reviewed respondent’s perception of the job market (number and type of jobs, difficulty hiring and skills), understanding the capacity to prepare the students (formal education, apprenticeships, internships, boot camp training, etc.) and the role of corporate involvement (Advisory Boards, Boot Camps, Classroom involvement, etc.).

FINDINGS

County and Industry -Participation - There were 114 completed surveys with responses received from the three primary counties participating in the study: Indian River, Martin, St. Lucie, and several surrounding counties. Fifty percent of the responses were from St. Lucie. The survey was launched on partner websites¹ on August 6th, 2019 and was open through November 1, 2019.

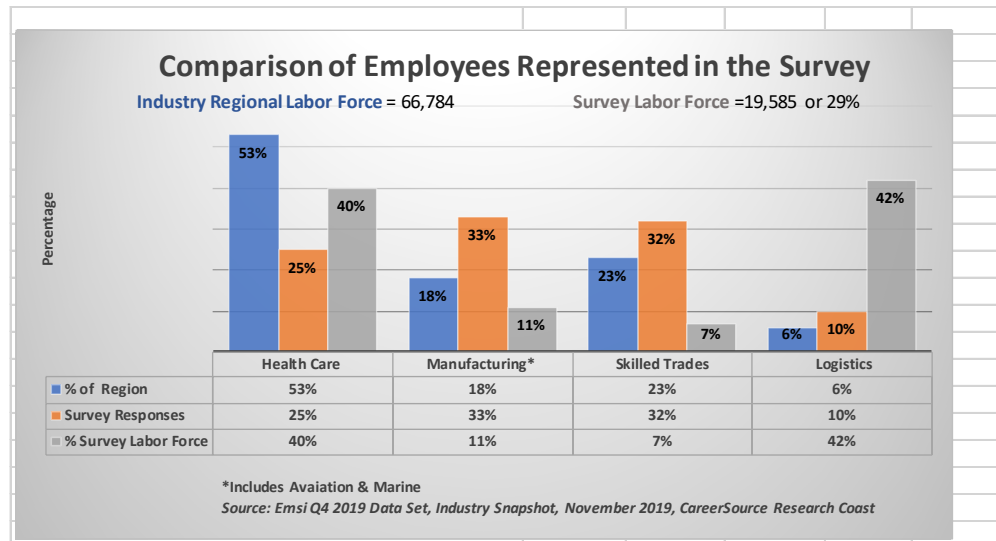
¹ St. Lucie EDC, Indian River EDC, Treasure Coast Builders Association (TCBA), and the Treasure Coast Manufactures Association (TCMA).

Of the 114 responses, **Manufacturing/Marine/Aviation** represented the largest response group in the study. There were 26 companies categorized as **Other** for which jobs data was not captured, however, responses were provided for recruitment, skills, retention, and training.



Company Size and Employed Labor Force by Participating Companies

There are approximately 66,784 workers (DEO, 2019) employed in the four major industry categories for the three-county region considered in this report. The completed survey responses represent approximately 19,585² workers or 29% of the regional workforce for the three-county region. Health Care represents 53% of the regional workforce and 40% of the workforce represented in the survey responses.



Although the Logistics figures represent only nine survey responses, the size of the companies responding were larger than the other industry sectors responding. A majority (n=88%) of the companies responding reported less than 250 employees with 57% under fifty employees. Manufacturing (62%) and Skilled Trades (75%) had the highest number of small companies under 50 employees.

² **Other Industries** category are not represented in the 19,585 because they were not the focus of the study and jobs numbers were not reported for the Other Industry category.

Where are the Jobs?

The employers responding to the survey reported approximately 1,882 open positions that they expect to fill over the next 24 months. Several local hiring trends are counter to national trends and should be considered when determining workforce training strategies to assure talent will continue to flow to the local market. Here are a few Jobs trends noted in the study.

Open Positions Reported in Online Survey		
By Industry	Total	Percent of Industry
Health Care	827	44%
Manufacturing*	342	18%
Skilled Trades	505	27%
Logistics	208	11%
Total Open Positions	1,882	100%

- Health Care** reported as difficult to fill positions that are expected to grow between 2020 and 2028 at rates higher than the norm. The number of projected positions locally that are difficult to fill and projected national growth include:

 - Registered Nurse - Bachelors and Associates Degrees =198/12% growth
 - Acute Care nurses = 107/28% growth
 - Nursing Aides and Orderlies and attendants = 106/9% growth
 - Home Health Aides = 39/36% growth
- Allied Health Care** positions are also on the rise and difficult to fill. These positions are fewer in number in the local workforce, generally requiring advanced training/degrees, but critical to the care and recovery of the patient. Some of the positions identified during interviews and focus groups without projected hire numbers, and projected national growth.

 - Occupational Therapist = 33% growth
 - Physical Therapist = 22% growth
 - Surg Tech/Central Sterile Techs = 9% growth
 - Radiologist and Ultrasound Techs = 9% growth
 - Home Health Aides = 36% growth
- Locally, **Manufacturing/ Marine/Aviation** companies reported a high demand for positions that are declining on a national level, but are difficult to find qualified talent to fill. The number of projected positions locally that are difficult to fill and the decline projected nationally include:

 - Assemblers and Fabricators, Fiberglass Laminators, metal & plastic = 85/ declining 11%
 - Welding = 36/ 3% growth but lower than national average
 - CNC Machine operators = 32/ declining 8%.

The **Marine** industry reports increase use of prefabricated molds constructed off site to build boats. Sixty-two percent of the Manufacturing companies in the study have less than 50 employees. The need for these positions in Manufacturing will continue locally until a disruptive technology is introduced into the local market that will lower the costs and increase profits.

- Skilled Trades** are seeking skilled craftsmen to support the increase in construction in the area – Carpenters, cement masons, plumbers, and HVAC, all trades that can be learned through an

apprenticeship. All these positions are projected to grow between 10 and 14 percent between 2020 and 2028. The number of projected positions locally that are planned to fill and projected national growth include:

- Construction Laborer = 199/ 11% growth
 - Electricians = 100/10% growth
 - Electricians Helpers = 77/ 11% growth
5. Logistics (Transportation and Warehousing) reported difficulty hiring Heavy and Tractor Trailer drivers (n= 27) and Automotive Master Mechanics/ All other mechanics (n=18), careers that are projected to experience average growth (5%) nationally. The introduction of driverless vehicles over the next ten years is expected to change the job skills needed. It is expected that driverless trucks will require in cab human assistance. The number of other projected open positions locally include:
- Packers and Packages, Handlers = 70/ 4% growth
 - Laborers and Freight, Stock and Material Movers = 66/4 % Growth

Skills

The ability to match the skills of talent entering the workforce with the rapidly changing skills needed by employers continues to be a priority topic of discussion for employers. The top skills reported are listed below.

Health Care		Manufacturing		Skilled Trades		Trans & Warehousing	
Skill	Weighted Average	Skill	Weighted Average	Skills	Weighted Average	Skills	Weighted Average
Critical Thinking	4.57	Motivation	4.53	Problem solving	4.33	Time management	4.67
Interpersonal	4.50	Time management	4.2	Time management	4.33	Collaboration	4.5
Oral communication	4.50	Problem solving	4.07	Motivation	4.33	Motivation	4.5
Time management	4.50	Collaboration	4.07	Experience w/ industry	4.13	Oral communication	4.5
Collaboration	4.43	Interpersonal	3.93	Oral communication	4.13	Problem solving	4.33
Motivation	4.43	Cultural Fit	3.93	Critical Thinking	4	Decision making	4.17

Figure 1 High Demand Skills - All Industries

Study trends include:

1. Lack of an understanding of the work environment and career pathways within the company. Employees will leave a company if they do not see a future but do not investigate options within the company.
2. Hands on experience is a skill all industries are seeking in applicants for a wide range of jobs.
3. Changes in technology will result in evolving business practices and the skills businesses are seeking. As technology changes we need to find talent to meet the new challenges.

Recruitment and Training

Employee referrals is the top recruitment methods used (71%) across all industries responding to the survey. **Online career websites (64%)** and **company websites (60%)** were the next most frequent source of recruiting for open positions across all industries. Here are recruitment study findings:

1. **Lack of Experience** is the most common reason given for why positions are difficult to fill: 74% of Skilled Trades survey respondents; 57% Health Care; and 50% for both Manufacturing & Logistics.
2. While many employers will hire candidates “off the streets” who are the right fit, construction training programs would like companies to hire their graduates and offer an increased salary to reinforce the need for post-secondary workforce preparation.
3. Four generations in a workforce with distinctly different values, particularly work ethic, is challenging Human Resource strategies regarding recruitment and retention.
4. Apprenticeship programs are seeing a resurgence in Manufacturing and Skilled Trades as a career pathway to the industry by high school students and reskilling adults. Both apprentices and employers viewed the training opportunity positively and recommended some changes to increase participation and certification completion rates.
5. The emerging workforce is driven by technological innovation, resulting in changes in the skills employers are seeking in new hires, recruitment and training methods. New career options are developing along with new training methods and social issues creating human resource management challenges.