

**TO: WIB Program Planning and Development
Committee**

DATE: 5/04/04

FROM: WIB Staff

For Action

For Information

For Discussion

SUBJECT: California Regional Economies Project

PROPOSED MOTION(S): Information/Discussion Only

DISCUSSION: The California Regional Economies Project (CREP) is being led by a joint committee of members from the California Workforce Board and the California Economic Strategy Panel, with funding by the State Board. There was a Regional Economies Project Forum for the Central Valley on February 26, 2004. It was the fifth of nine being held statewide in California.

The purpose of the forums is to provide new information to enhance economic and workforce development planning and investments by local Workforce Investment Boards, economic development organizations educational institutions and other partners. It will provide a bridge connecting economic development to workforce policies, programs and resources at the state and regional levels. Participants will be provided with information on methodology tools, and have discussed which regional industry cluster the state could study in greater detail.

On April 16, 2004, the Department of Workforce Investment and the other regional partners received an e-mail from the California Workforce Investment Board that announced that the second component of the CREP would include regional industry cluster studies and cross-industry cluster studies. To conduct the studies, they will contact 10 per region, which means a total of 90 interviews.

The employers for our regions would include: 1) Health Services and Biomedical Clusters, and 2) The New Manufacturing--Logistics, Supply Chains and Innovative Business Services.

More details about these clusters:

Health Services and Biomedical Cluster: This has been a growing set of industries and high priority of interest in all regions--urban and rural alike. It is one of the leading industries statewide with growing workforce shortages. It also provides an opportunity to look at the service and biomedical segments of this broad cluster in new ways. This cross-regional cluster study will cover all nine regions.

The New Manufacturing--Logistics, Supply Chains and Innovative Business Services: Manufacturing is undergoing major changes, including redefinition as logistics and supply chain management with innovative business support services. Productivity has reduced the number of jobs but new types of jobs have been created in other industries within regions to manage the flow of goods and services. Value added, agile manufacturing and services are becoming more related in biomedical, information technology as well as food processing industries. This cross-regional cluster study will cover five regions: Bay Area, Border, Sacramento, Southern California, and San Joaquin Valley.

From the clusters listed above, names of employers should be recommended and contact information provided from our areas.

ATTACHMENT(S): Collaborative Economics Interview Protocol

Our contract calls for 10 interviews per region, which means a total of 90 interviews (or in this case, about 30-40 interviews per cluster area). Certainly, we can begin with panelists from the regions who fall into the cluster areas. From there, we would be looking for additional industry innovators in the three areas, those whose firms are growing and can speak effectively about the changing nature of their firm and industry. We especially want employers who can talk about the nature of opportunities for growth—and the requirements to capitalize on those opportunities. Below is a brief interview protocol to give you an idea of what we are after:

Time: 1 hour

Focus: Key Opportunities and Requirements for Future Growth and Competitiveness

Topics:

1. Story of the Firm

- a. What is the nature of your business, products, services? What is your firm's relationships with suppliers, customers, partners/competitors?
- b. Describe your workforce—growing, declining, transforming occupations? Shortages? Career pathways? Sources of skilled workers (e.g., local colleges, training programs, relocations from outside region, etc.)?
- c. What have been the most important changes in your business in the last five years, and why? (e.g., due to product/service innovation, new technologies, shifting markets, workforce shortages, etc.). How does this experience compare to your industry as a whole?
- d. What are likely to be the biggest opportunities for growth in the next five years and why? (e.g., due to product/service innovation, new technologies, shifting markets, etc.). How does this experience compare with to industry as a whole?

2. Requirements for Future Growth and Competitiveness

- a. What will be required for your firm and industry to grow in the next five years? Rank top requirements.
 - i. Workforce (key talent needed, shortages solved, most important occupations to future of the firm/industry?)
 - ii. Innovation (need for R&D/commercialization, new technology, new business partnerships, capital access, tax and regulatory environment?)
 - iii. Markets (transportation, export infrastructure, financing, and access, business partnerships/networking?)
 - iv. Quality of life (regional amenities, attractiveness to skilled workforce?)
 - v. Others