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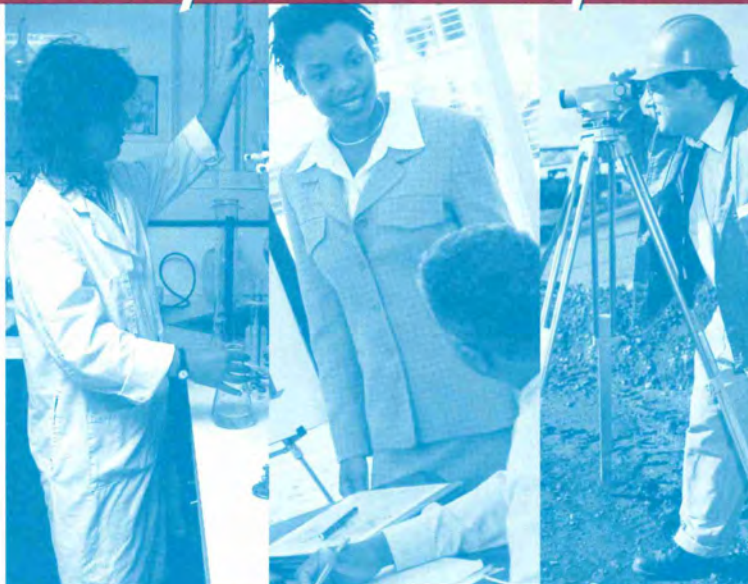
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TRANSITIONS: *Workforce Development*



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THE 2000 REPORT

February 2001



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MINNESOTA DEPARTMENT OF
ECONOMIC SECURITY

FROM THE COMMISSIONER

T*ransitions 2000* is the theme for the first Minnesota Department of Economic Security (MDES) Annual Report of the new century. We chose this theme because it reflects the constant change that is part of our world and our work today. But more than that, we focused on transitions because we want to emphasize that change can be embraced and guided rather than merely endured. Throughout this report, you will see examples of transition within our agency and also in workforce development in general.

One of the most fundamental transitions in the last year was from the Job Training Partnership Act (JTPA) to the Workforce Investment Act (WIA). WIA represents a major revamping of the way employment and training programs are delivered nationwide. It encourages us to meet customer needs through collaboration and partnership instead of competitive, rule-driven programs.



Earl Wilson
Commissioner,
Minnesota
Department of
Economic Security

In Minnesota, *The Governor's Big Plan* supports this change in service delivery by naming MDES to lead the state's workforce development system. Traditionally, MDES has administered state and federal employment and training programs. Recently we've been transitioning to a larger role of ensuring that effective workforce development products and services are available to all Minnesotans. Key to this is encouraging the vast assortment of local service providers to become a part of the statewide network of workforce development services.

At MDES this year we've worked on several internal transitions including moving the Dislocated Worker Programs out of MDES to the Department of Trade and Economic Development and moving Energy Programs from the Department of Children, Families & Learning back to MDES. We've also realigned our branch and division structure to better serve our customers. As part of this realignment, new assistant commissioners have been given the charge of driving customer-focused change in their branches.

While the state and federal compliance programs we operate have always required program measures, this year we began looking at ways to produce systemwide measures of performance and customer satisfaction. Because of the complexity of our network of services and multiple computer systems, this will be a big task. Nevertheless, we are committed to outcome measures leading to thorough process improvement.

But the most important reason we chose transi-

tions for the theme of this report is because it is at the transition points in one's worklife that people need workforce development services. Our work is about helping people prepare for and deal with their next job transition whether voluntary or involuntary. It's also about ensuring that the right safety nets are in place when people can't transition smoothly from job to job. Our services are also about the transition points that employers deal with, whether it be recruiting, hiring, retention, or downsizing.

We have gone through many transitions in the past year and have many more planned for 2001 and beyond as we continue to improve Minnesota's workforce development system. We look forward to expanding our network of partners and remain committed to continually improving our service to customers.

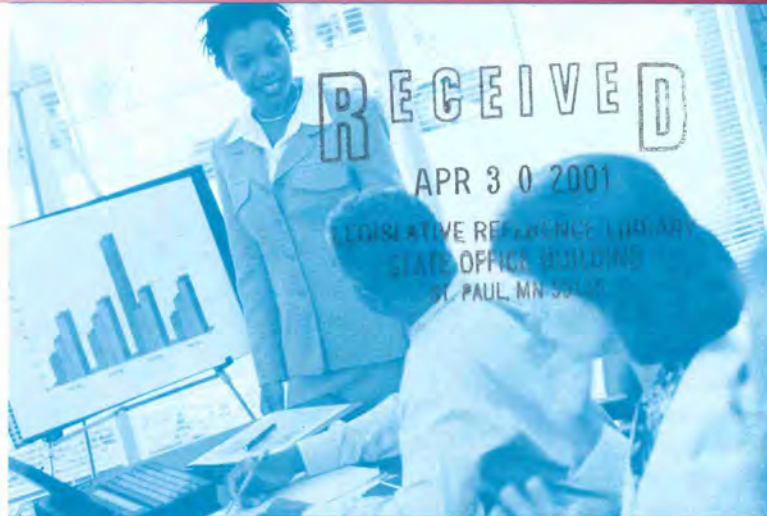
Earl Wilson, Commissioner,
Minnesota Department
of Economic Security

VISION AND MISSION

The following
visions guide us
in our work:

"Through these efforts, Minnesota will provide an environment where employers are committed to developing their workforce, employees take personal responsibility for enhancing their skills and careers, and the government supports these activities through selective and strategic investment."

from the
**Governor's
Workforce
Development
Framework**



MDES Strategic Plan 2000



Our Vision

Minnesota will have a workforce that can compete in a world marketplace through a workforce development system that is world class.

Our Mission

Helping people help themselves achieve economic security.

The Minnesota Department of Economic Security is the state-level point of coordination on all matters relating to workforce development. This includes the role of "honest broker"—the ability to provide valuable and impartial career information to individuals, empowering them to make informed choices about their future.

Workforce Development

means proactively developing a skilled workforce that is competitive in today's global economy. Workforce development acknowledges the dynamic needs of employers and the constant "job churn" that takes place in today's workforce. On average, workers change jobs every three years and careers seven times throughout their work lives. This reflects a transition from the old paradigm of people working their entire career for one employer.

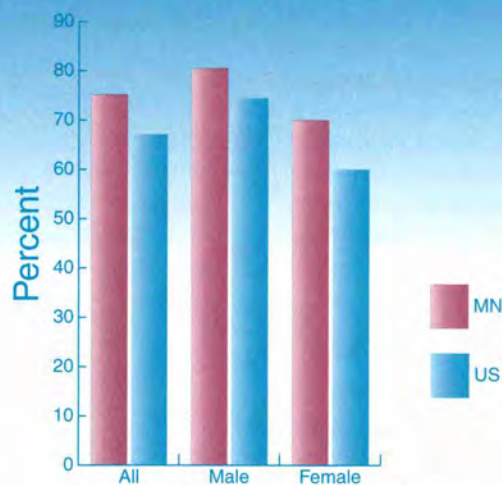
STATE OF THE ECONOMY

T*he workforce*

development system is a complex interaction between business, the workforce and government that takes place in an economic environment. In this context, it is important to understand the transition of the economy from a production to a service and information economy and the opportunities and challenges that this economic environment creates for workforce development.

The last decade has been the strongest in recorded economic history for Minnesota. Our state is continuing to experience its longest economic expansion with the total number of jobs having grown each year since 1982. This ongoing job growth — measuring just over two percent for the year 2000 — combined with three years of unemployment rates of three percent or under has moved the state toward an economic environment dramatically different from what we've experienced in the past. While most of our employment and training programs were created in a context of relatively high unemployment

and few job openings, in today's environment, a worker shortage has replaced a job shortage.

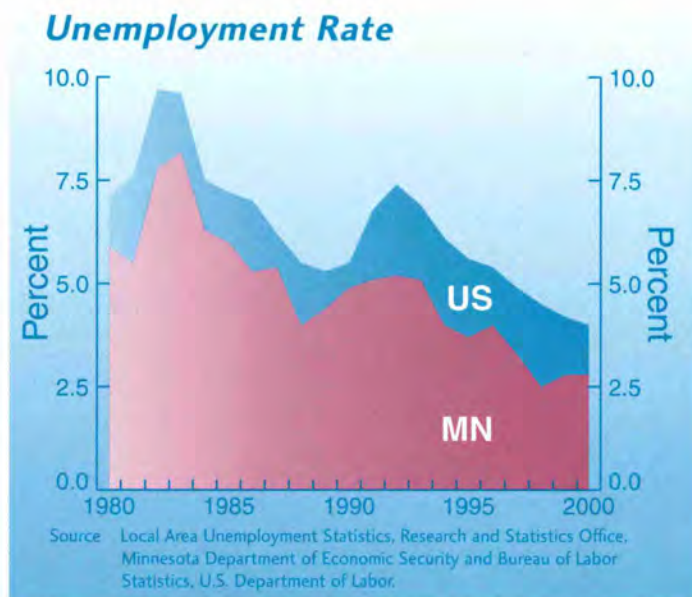
*Men and Women in the Workforce*

Source: Current Population Survey, Bureau of Labor Statistics, U.S. Department of Labor, 1999.

Job growth has exhausted the traditional pools of available workers in the state. Minnesota continues to be one of the "hardest-working" states in the nation with over 75 percent of the adult population participating in the workforce and the highest female workforce participation rate in the nation. The state also has a high percentage of older workers employed and one of the highest workforce participation rates among persons with disabilities. Meanwhile, despite 13 percent growth in Minnesota's workforce between 1990 and 1999, job growth over the last decade has pushed unemployment rates to record lows.

The total pool of other "reserve" workers available for work in Minnesota — including both part-time workers and persons not currently in the workforce — declined by more than one-third from 1993 to 1998.

Three industries in Minnesota make up over half of the

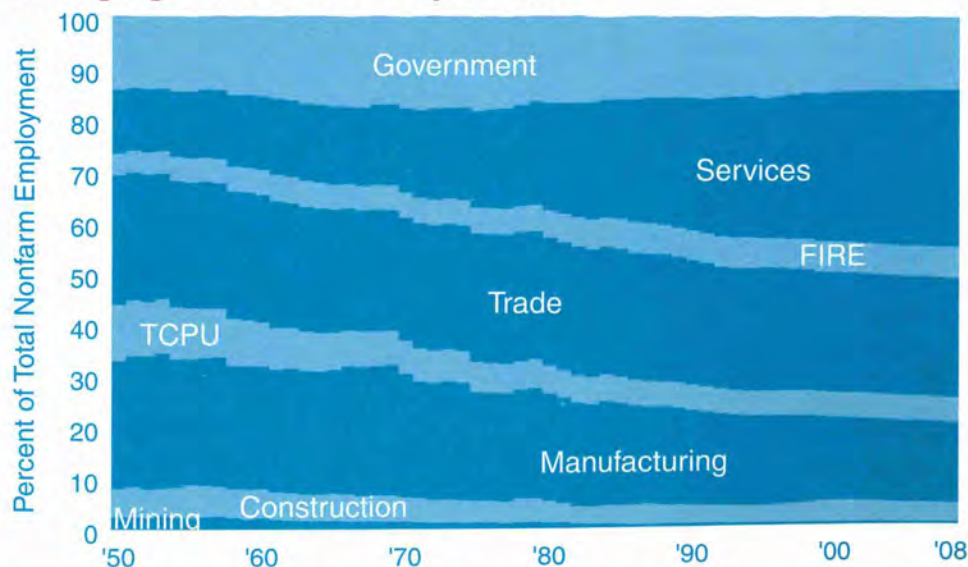


state's total employment: manufacturing, retail trade, and healthcare and social assistance. With the growth of technology-related industries and occupations and the pressures of a global economy, industrial employment in the state has been moving away from manufacturing,

mining, and agriculture. Wage pressures from overseas are pushing the Minnesota economy away from low-technology manufacturing and are moving the state toward sectors where we have a sustainable competitive advantage — such as the high technology industry that

takes advantage of Minnesota's highly educated workforce. With the aging of the workforce and less reliance on raw materials and manufacturing, the services industry, particularly healthcare, has grown rapidly in Minnesota.

Changing Industrial Composition



STATE OF THE ECONOMY

Occupational employment patterns also reflect these structural shifts in industries. Employment in agriculture, production/repair and operator/fabricator occupations has been diminishing while employment has been increasing in the managerial, professional, and technical occupations. Almost all professional, paraprofessional and technical occupations require at least some post-secondary training, and many require a Bachelor's degree or more. The changing industrial base of the state thus influences the skills — and consequently the education and training — that the workforce of tomorrow, and today, needs to succeed.

Working Minnesotans' average annual wage in 1999 was \$33,487, the 12th highest among the 50 states. Wages are also rising more quickly than elsewhere with a 4.4 percent gain in 1999, the 12th-largest wage increase in the nation. Solid employment levels in manufacturing in Minnesota, in contrast to national declines in this industry,

have helped to retain relatively high wage levels.

Worker shortages are most severe in sectors that have relatively low wages, unusually rapid growth, or specialized skill needs. Results from recent job vacancy surveys conducted in the Minneapolis-St. Paul metropolitan area and

statewide indicate that workforce shortages were most severe in the following occupations:

- healthcare support
- personal care and service including child-care workers
- sales and related occupations
- community and social services

- farming, fishing and forestry
- healthcare practitioners and technical workers

A recent statewide survey estimated 124,000 job vacancies in the fourth quarter of 2000 — nearly twice as many as the number of unemployed persons. Of course, most hiring occurs not from the pool of unemployed but from those employed elsewhere, creating a cycle of job churn. Individuals move from job to job in search of better wages, better benefits, or better working conditions. This tight labor market is forcing employers around the state to scramble to find new workers and retain their current workforce — especially those with high-level skills. Once upon a time, employers could hire 200 people one week and fire all but the most qualified the next week, using employment as a screening mechanism. Today, employers are more likely to look within their workforce, to focus on retaining and retraining their current workers, rather than searching outside.



"An effective, robust workforce development system is one that acknowledges demands of the market, anticipates economic influences and strives to proactively improve the process of moving workers from job to job."



Our tight

labor market has encouraged Minnesota employers to explore both new sources and new means of finding workers. Persons on public assistance, individuals with disabilities, older workers, immigrants and other groups are finding employers willing to adapt their workplaces if they can find successful, committed employees. Worker shortages are also pushing employers toward more creativity in finding workers, from Internet job postings to job fairs. Some fear this worker shortage may be limiting continued economic expansion in the state.

Not all Minnesotans are experiencing the benefits of this booming economy, however. While unemployment rates have fallen for every demographic group for which Minnesota data are available, unemployment remains higher for blacks, Native Americans and Hispanics than for whites.

Approximately one-third of the workforce in Minnesota earned less than \$10 per hour in 1999, and 11 percent of the state population lives

on incomes below the national poverty line. Comparatively, however, low-wage workers fare better in Minnesota than elsewhere in the nation. Only 12 states have a lower percentage of workers earning less than \$10 per hour and only ten states have lower shares of their population in poverty than Minnesota.

R*ural areas* of the state consistently see higher unemployment and lower wages than the central metropolitan corridor from the Twin Cities southeast to Rochester. In 1999, while the Twin Cities and Southeast Minnesota had the lowest unemployment rates at 2.1 percent and 2.5 percent, respectively, Northeast and Northwest Minnesota saw unemployment rates of 4.7 percent. The Southwest and West

Central areas of the state earned the lowest wages, while the metropolitan areas of Minneapolis-St. Paul and Rochester earned the highest. Rural Minnesota is home to the manufacturing, mining and agricultural industries — natural resource-based industries with slow growth and moderate wages — while urban Minnesota houses the services and high technology industries.

As we move into the depths of winter 2001, the Iron Range of Northern Minnesota may be on the cusp of a significant economic restructuring. Because of the low cost of steel the mines and taconite processing plants are under pressure and the area anticipates significant layoffs. The repercussions this will have on other sections of the Iron Range are still unknown.

Overall, the growth rate of the economy is slowing, and we expect this trend to continue through 2001. However, Minnesota's diverse economy has weathered past national economic slowdowns and recessions better than most states and has outpaced the nation during economic expansions.

Between worker shortages in some industries and the potential for major restructuring in others, education and training of today's workforce for the jobs of tomorrow becomes even more important. Our challenge is not to find just any job for our customers but to help each employer and each individual jobseeker understand the skills employers need and the skills jobseekers offer and to find the best possible match.

"Workforce development means proactively developing a skilled workforce that is competitive in today's global economy."

THE WORKFORCE DEVELOPMENT SYSTEM

A History of Transition

The Minnesota Department of Economic Security (MDES) was created in 1977 from a merger of the former departments of Employment Services and Vocational Rehabilitation, the Governor's Manpower Office, and the Economic Opportunity Office, which administered anti-poverty programs. In 1985, State Services for the Blind became part of the department, and the agency was renamed the Department of Jobs and Training. The original name, the Department of Economic Security, was restored in 1994 as an acknowledgment that the agency's role had expanded beyond providing "jobs and training" programs.

This transition in Minnesota from jobs and training to economic security to workforce development is consistent with a similar transition of national programs, which are the major funding sources for Minnesota's programs and services. Federal agencies such as the departments of Labor and Education provide

roughly 80 percent of MDES revenue. Employment programs have their roots in the 1933 Wagner-Peyser Act, which was created to help the millions of unemployed people find jobs, and vocational rehabilitation programs for people with disabilities go back to the 1920 Smith-Fess Act.

By the 1960s, the focus of programs had evolved to the delivery of anti-poverty services. Training became a primary service, and intensive staff intervention was available from a multitude of providers. The Comprehensive

Employment and Training Act was enacted in the mid 1970s as the first attempt at consolidation and reform. Its focus was employment, much of it being subsidized public employment. The next reform came in the 1980s with the Job Training Partnership Act, which focused on training and attempted to create a stronger role for the private sector.

By the mid-1990s reform was again underway. In 1998, the Workforce Investment Act (WIA) was passed as a major change in the way employment

and training programs and services are delivered. WIA's intent is to balance the long-term needs of employers, individuals, and service providers by increasing flexibility, streamlining service delivery through an integrated workforce development system and emphasizing one-stop centers, market-driven services and local control.

The Department of Economic Security coordinates Minnesota's workforce development system. While some workforce development services are delivered directly by MDES, many are provided through other agencies and community workforce development providers. MDES' focus is on a comprehensive workforce development system regardless of who delivers the service. Since a robust workforce development system expands and integrates the network of service providers that contribute to the overall effectiveness of the system, MDES' challenge is to continue to seek out resources to meet customers' needs.



Minnesota has 53 WorkForce Centers



Virtual WorkForce Center

A robust workforce development system engages all possible customers — both employers and job-seekers. Today these customers are demanding access to more information at their convenience. Technology allows MDES and its partners to reach out to these customers and to meet their demands. The Internet provides an opportunity to offer a one-stop web-site that integrates the best available resources regardless of who created them. A virtual WorkForce Center is available online at www.MnWorkForceCenter.org. It provides access to a full assortment of workforce development products, services and information.

WorkForce Centers

On July 1, 2000, Minnesota officially implemented the federal Workforce Investment Act (WIA). Minnesota was instrumental in the devel-

opment of WIA as it was one of the first states to co-locate employment and training programs into a statewide system of one-stop centers. Between 1995 and 1998, MDES and its partners opened 53 WorkForce Centers throughout the state.

Each WorkForce Center consists of core state partners including Unemployment Insurance, Job Service, State Services for the Blind, and Vocational Rehabilitation, as well as job training providers designated by the Local Workforce Council. In addition, depending on local need, Community Action programs, the Department of Human Services, county social services and other employment and training providers offer their services in partnership with the local WorkForce Center.

There is also a network of Affiliate WorkForce Center sites that have well established community connections with specific populations. Affiliate sites capitalize on the combined strength of their organization and the depth of services of the WorkForce Center. For instance, the American Indian Opportunities Industrialization Center is an Affiliate site that helps connect the Native American community with the WorkForce Center System.

Many different constituent boards help design the assortment of services available through the workforce development system. The Governor's Workforce Development Council (GWDC) helps MDES determine long-range strategies and supports system-wide capacity building. Sixteen Local

Workforce Councils direct the delivery and assortment of local services and act as the conduit for local needs to the statewide GWDC. There are also boards and councils representing special populations, such as people with disabilities and youth, which help determine customer needs and design effective strategies for service delivery.

The strength of Minnesota's workforce development system comes from this unique collaboration of partners and boards all working toward the same goal of developing a workforce that can compete in a world marketplace. It is truly a network of many partners who contribute their unique customers, products and services.

MAJOR ACCOMPLISHMENTS — 2000

January

2000 arrives with all computer systems intact.

MDES reorganization is completed.

Minnesota Inventory of Employment and Training Programs is published.

February

Minnesota World Competitor: Governor's Workforce Development Plan is published.

The Minnesota State Rehabilitation Council conducts public forums.

What Could Your Next Job Be? a recap of new and evolving occupations is published.

BizLinks, www.bizlinks.org an employer one-stop government website is launched.

March

Help Wanted: 2000 Twin Cities Job Vacancy Survey is published.

Public comment period for Minnesota's Workforce Investment Act (WIA) Unified Plan begins.

21st Century Fund Drive kicked off to improve access for visually impaired Minnesotans through technology.



Proceeds from the 21st Century Fund Drive provide access for visually impaired Minnesotans through the Radio Talking Book.

Vocational Rehabilitation study of program effectiveness and customer satisfaction is completed.

April

Minnesota's WIA Unified Plan is submitted to the US Department of Labor (DOL).

Department's *Strategic Plan 2000* is approved by the Governor.

WIA Youth plan is implemented.

Interagency collaboration on welfare reform wins MDES and the Department of Human Services a Partnership Minnesota Conference Award.

MDES shares Partnership Minnesota Conference

Award with several agencies for the development of ISEEK, www.iseek.org, an online career exploration tool.

WtW/MFIP Innovative Practices Newsletter of best practices is published.

Governor's Workforce Development Council (GWDC) holds first Spring Training Institute.

May

Applications for new memberships to the GWDC are accepted.

Employment Outlook to 2006 periodicals are published by region.

June

The Job Training

Partnership Act program ends in Minnesota.

The Governor's Workforce Development Mini-Cabinet reconvenes.

MDES hosts 87th annual International Association for Professionals in Employment Security conference for workforce development practitioners nationwide.

State Services for the Blind begins stakeholder forums to identify strategic opportunities.

July

The Workforce Investment Act is implemented in Minnesota.

New Governor's Workforce Development Council is inaugurated.

Dislocated Worker program is transferred to the Department of Trade and Economic Development.

www.MnWorkForceCenter.org website is launched.

MDES presents the Career Delivery Van at JETT*CON (Joint Employment and Training Technology Conference) in Santa Fe, NM.

Disaster Unemployment Assistance available in several storm-damaged counties.

August

Minnesota Career Delivery Van comes to St. Paul for the National Governor's Association meeting.

110,000 *Minnesota Careers* publications sent to Minnesota high schools.

Energy Programs return to MDES from the Department of Children, Families & Learning.

"Your first stop on the way to work" advertising campaign is kicked off at the

State Fair.

E-survey established to collect information and ideas on the state's workforce development strategy.

Minnesota Statewide Independent Living Council conducts public hearings.

20th annual international labor market information seminar for developing countries is hosted by MDES in St. Paul.

September

US Department of Labor Secretary Herman invites Minnesota Career Delivery Van to Washington, DC.

Governor's Workforce Development Mini-Cabinet begins series of stakeholder input sessions around the state.

Vocational Rehabilitation services holds public forums.

MDES signs joint powers agreement on ISEEK with other agencies.

Independent Living awards grants for outreach to Native Americans.

October

Minnesota ranks first in *Development Report Card for the States 2000* by the Corporation for Enterprise Development.

MDES labor market information publications win awards from the National Association of State Workforce Agencies (formerly ICESA).

MDES co-hosts national Dislocated Worker Conference with DOL Region 5.

Job Service Employer Committee hosts employer conference in Brainerd.

Internet Unemployment Benefit applications surpass 10,000.

Radio Talking Book outreach site comes to Mankato.

First-ever statewide employer survey on current hiring needs launched.

WorkForce Center Booth is featured at statewide Society for Human Resource Management conference in St. Cloud.

November

Geographic Solutions is chosen as the vendor for the One-Stop Operating System, which will integrate service delivery and information from multiple programs.

\$38.3 million in additional federal funds is available for heating assistance.

December

Projects with Industry, a 5-year partnership to help people with disabilities enter the job market, is launched by Vocational Rehabilitation Services with a million dollar grant from the US Department of Education.

Silver Hammer award for America's Career Kit presented to MDES by Vice President Al Gore.



OUR CUSTOMERS

Our customers are the employers and the workforce of Minnesota. This huge and diverse mix of customers has in common a connection to work: as members of the workforce, they may be working, changing where or how they work, or upgrading their skills to locate better work. As employers, they may need to find staff, keep staff, or reduce or rearrange their staffing levels. Whether they are students, workers, semi-retired people, new immigrants, welfare recipients, individuals with disabilities, or employers of any size, they are customers of the workforce development system.

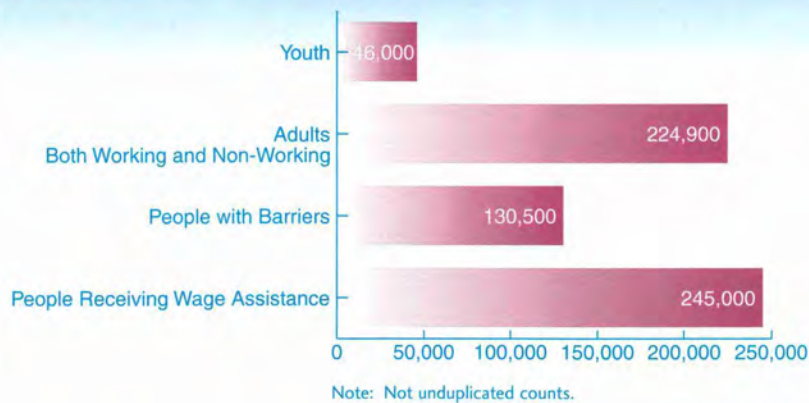
Transitions in their work life or workforce are where customers are most likely to use the products and services of the workforce development system. Traditionally, people have come to us only after a transition, like the loss of a job. Imagine if they all came to the workforce

"Our work is about helping people prepare for and deal with their next job transition — whether voluntary or involuntary."



Customers at Anoka County WorkForce Center — where employers, individuals, and service providers come together.

People We Served in 2000



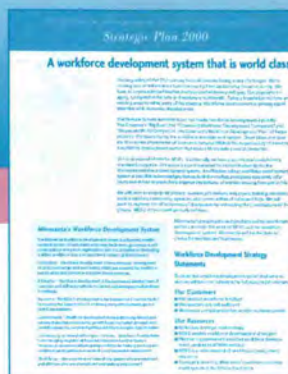
MnWorkForceCenter.org "Hits" in 2000



development system in anticipation of, or even wanting to make a transition. People would make better career and training decisions and would know how to navigate their careers throughout their work lives. Employers would know how to hire and retain people with the right skills at the right time. The natural ebb and

flow of the labor market would be more efficient.

With such a diverse customer base it would be easy to have a "one-size-fits-all" service delivery strategy. On the following pages you'll see how we avoided that by providing services targeted to the specific needs of our customers.



GOALS FOR 2000

To create the workforce development system, we will focus on achieving the following eight goals.

Our Customers

Minnesota's workforce is robust.

Minnesotans are self-sufficient.

Minnesota's employers drive workforce development.

Our Resources

MDES has strategic relationships.

MDES models workforce development strategies.

Electronic government provides workforce development services to all Minnesotans.

MDES is a wise steward of workforce development resources.

Through leadership, Minnesota's workforce development system is the best in the nation.



Call the office nearest you:

1-888-GET-JOBS
(1-888-438-5627)

TTY: 1-800-657-3973 or
1-651-282-5909

EMPLOYERS

E*mployers are*

businesses that have employees; approximately 130,000 employers have unemployment tax accounts with MDES. Minnesota's employers come in all shapes and sizes. They cross all industries and range from entrepreneurial start-ups to well-established, multinational, *Fortune* 500 corporations. Their workforce development needs are equally diverse. Large corporations and small businesses alike need workforce development products and services tailored to their needs.

O*ur Vision*

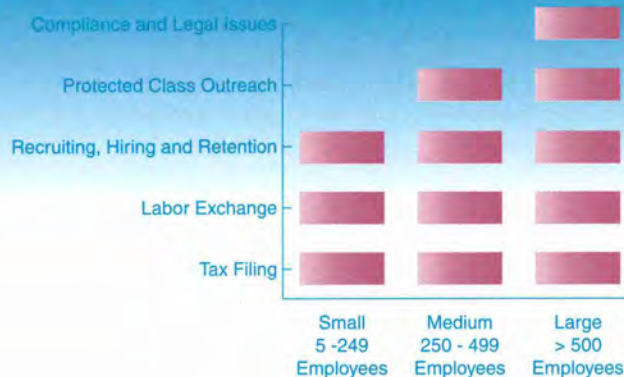
Minnesota employers drive the workforce development system. Employers can enhance their competitive position by utilizing the Minnesota WorkForce Center System. They use current employment information to make their employment practices competitive, and they invest in their human resources by incorporating workforce development practices into their business.

O*ur Mission*

The workforce development system provides employment and training resources to help Minnesota employers develop and maintain a competitive workforce.

S*ervices*

The following are examples of workforce system services to employers.

Services Most Used by Employers**Tax Filing**

The Unemployment Insurance program provides economic stability by partially replacing lost wages to people who are temporarily out of work so they can continue to pay their bills. Most employers are required to pay the payroll taxes that fund this system of Unemployment Benefits and Employment Services. MDES staff work with these employers to ensure compliance and equity.

Staff also monitor the continuing eligibility of people collecting unem-

ployment benefits. These efforts ensure that employers are not paying more than their share and that people are reengaged in the workforce as quickly as possible.

Labor Exchange

In conjunction with the US Department of Labor, MDES has created an online system to connect workers and employers. Minnesota's Job Bank, www.MNWorks.org, is the state site, and America's Job Bank, www.ajb.org, is the national collection of state sites. Together, these sites create a no-



Snapshot of Outcomes

Customer Satisfaction

73 percent were satisfied with the services from Job Service.

99 percent said they got clear, professional and knowledgeable help from Unemployment Tax Auditors.

Performance Measures

9,667 employers had accounts with Minnesota's Job Bank.

64,900 jobs were posted in 2000.

cost, self-service labor exchange system of jobs and resumes. Employers can create and manage job postings and search for resumes online. Jobseekers can create a resume and search for jobs 24 hours a day wherever there is Internet access.

Recruiting, Hiring, Retention

Getting and keeping staff is the number one issue for employers. The workforce development system provides a variety of recruitment, hiring and retention services to help employers with their staffing issues. The department website has been redesigned to be more user-friendly and informative. Employer resources such as best practices, staff support services, and connections to other government services are accessed with one click. If they choose, companies can provide information about themselves to jobseekers by linking their websites to the MDES site. Other job search sites, like Monster.com, are also welcome to link their sites.

www.MNWorks.org



Minnesota's Job Bank

is an Internet tool for posting and managing job openings and viewing resumes that is part of a nationwide system.

There are also programs in the workforce development system specifically targeted to protected-class individuals, such as persons with a disability, welfare recipients, and women interested in non-traditional employment. Centers in areas of the state with significant migrant worker populations have bilingual outreach staff to seek out and help migrant workers and their families connect with employers and the communities in which they live. Staff from both Rehabilitation Services and State Services for the Blind are available to help employers meet job accommodation needs.

Compliance and Legal Issues

Compliance with state and federal regulations is a concern of many employers. BizLinks, www.bizlinks.org, a new service that helps employers learn how to be compliant, is an electronic clearinghouse of regulatory information from multiple state agencies. WorkForce Centers periodically offer seminars on compliance topics in conjunction with other state and federal agencies.

Award-winning labor market information publications produced by MDES staff include salary surveys, employment projections, career planning, and benefits surveys. These are available to companies and economic development entities in paper and electronic form.

Most WorkForce Centers host seminars by local experts that cover important topics such as immigration and hiring issues. Many Centers also have an employer-of-the-week program showcasing a specific company and connecting its recruitment efforts to WorkForce Center customers.

The Work Opportunity Tax Credit provides an incen-

tive for employers to hire people from certain disadvantaged categories. Foreign Labor Certification is another recruitment tool that helps employers hire foreign workers into jobs where American workers are in short supply.

Protected Class Outreach

Many employers understand the value of a diverse workforce and seek out workers from protected classes, such as minorities, women and people with disabilities. WorkForce Centers around the state have connected with community-based organizations that serve protected classes to bring a diverse mix of potential workers into the system.

YOUTH

Youth are typically in their mid-teens to early twenties and may or may not have finished high school or post-secondary education. They probably have a part-time job but no long-term attachment to an employer. At this stage in their work life, they are beginning to make choices about future career paths. They need access to information about jobs, careers and training, and accurate assessments of their skills and interests so that they can make better long-term career and training choices. Youth also need exposure to jobs and workers to understand the demands, responsibilities and rewards of work. Some youth, especially those from disadvantaged families, need more than just exposure to make good decisions and may need assistance in preventing delinquency.

Our Vision

Youth are prepared for work. They have marketable work skills and know how to look for work. They access and know how to use career



Snapshot of Outcomes

Customer Satisfaction

"My work experience has changed the way I think about work."

"Students liked community service projects because it showed they could contribute to their community."

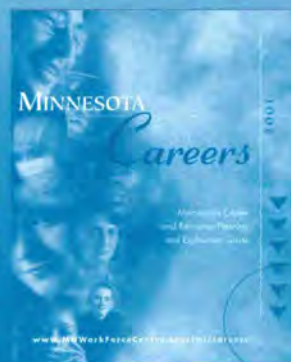
Performance Measures

47,900 youth were served.

530 affordable housing units were built or renovated through the Youth-build program.

Minnesota Careers

Comprehensive career and training guide designed for high school students.



and labor market information to make sound decisions on education and career pursuits.

Our Mission

The workforce development system provides the tools that help youth make wise education and career choices and have

positive work experiences. A safety net is also provided for at-risk youth.

Services

Minnesota Careers is an award-winning labor market publication designed specifically for youth. It is distributed to all Minnesota high schools

and is available on the Internet. The MDES website provides additional career exploration tools, job and resume posting, and information about local employers.

Workforce Service Areas offer a variety of employment opportunities to disadvantaged youth. Year-round programs combine work experiences, academic enrichment, and leadership and life skills training. Work experience includes community service, human services and public safety. Summer programs provide opportunities for kids to catch up academically while gaining work and team building skills.

Youth services also focus on delinquency prevention measures. A broad network that includes community, law enforcement, and corrections organizations provides services such as community service, restitution, work experiences, mentoring, early intervention and life skills training to at-risk youth. These services are provided as a preventative measure as well as during and after incarceration.

WORKING ADULTS

Working adults

may be comfortable with the job they have or may want a better one. They may be using their skills and their abilities to their best advantage or they may be underemployed. They also may or may not have confidence in the longevity of their company or position. This is the largest segment of the market, and some would argue that they have no need for workforce development services. Yet in an economy of mergers and acquisitions where jobs and skills change at a rapid speed, many in this group may be left behind. They need access to information and resources to keep up their work skills as well as their jobseeking and keeping skills.

Our Vision

People grow in their careers. They access career and labor market information. They update their skills and acquire new skills. They know how to successfully maneuver through many job and career changes.

Our Mission

The workforce system provides workforce development resources to Minnesotans so that they can maximize their participation in the workforce.

Services

The following are some of the resources available.

Information

www.MnWorkForceCenter.org provides best-of-brand information on workforce development ranging from relocation to salary surveys to company profiles, all at no cost. The intent is to provide a full array of workforce development information in a self-service environment, regardless of the source. Staff in WorkForce Centers are an important source of information about companies and hiring practices in the local area. Various jobseeking, job-keeping and resume-writing classes are offered on a regular basis by trained WorkForce Center staff.

Snapshot of Outcomes

Customer Satisfaction

"Your website saves me a lot of time because I can get on my computer from home."

"After reading through the September 2000 issue of Minnesota Economic Trends, it is time for me to send a brief message thanking you for a job well done. The writing, graphics, design and layout, and overall tone are superb!"

Performance Measures

118,524 resumes in Minnesota's Job Bank in 2000.

1,963,000 average monthly "hits" to website.

www.MnWorkForceCenter.org

www.iseek.org

ISEEK

Integrates careers, training and job opportunities into one site.



Resource Areas

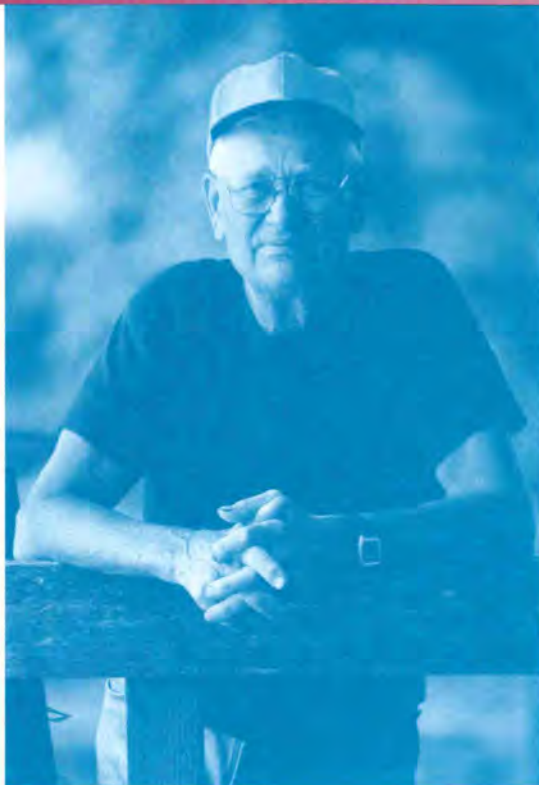
Library-style Resource Areas in each WorkForce Center provide a full assortment of career and occupational information, books and magazines, facts and figures, and job listings. Customers can also use up-to-date technology such as computers, phones, faxes and Internet access. The Centers are staffed by people who can guide users through use of the equipment as well as their career exploration and jobseeking efforts.

Finding Work

Minnesota's Job Bank at www.MNWorks.org is many

jobseeking tools in one. It provides access to thousands of jobs from many of Minnesota's most sought after companies. Job openings run the gamut from part-time, entry-level to high-level, professional and managerial positions. Its Headhunter feature searches for new jobs on behalf of jobseekers. Resumes posted to this site can be searched by approved employers 24 hours a day. Minnesota's Job Bank is an important tool for working adults because it works while they do.

ADULTS WHO HAVE LEFT THE WORKFORCE



Snapshot of Outcomes

Customer Satisfaction

88 percent of customers rated their reemployment services positively.

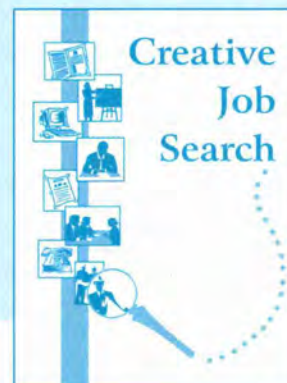
Performance Measures

22,000 veterans received service.

14,345 adults received Dislocated Worker services.

Creative Job Search

Award winning guide to successful job search and resume writing.



Many adults have temporarily left the workforce, a common occurrence in today's economy. They have been in the military, part of a company downsizing, taken time out for family issues, or perhaps they have been laid off or fired. People in transition need help to re-enter the workforce. Depending on how long they've been out, they may also need help upgrading their skills.

Our Vision

When people lose their job, they are able to smoothly re-enter the workforce. People out of

work find the support they need so that their time out of work is brief. They have the skills, information and support to be able to re-enter at least at the job level they had reached.

Our Mission

The workforce development system provides information and personal services to help people competitively re-enter and remain in the workforce while balancing their life issues.

Services

In addition to all the services described previously for working adults, many specialty services are available for adults who are out of the workforce. Reemployment services are available in the WorkForce Centers to people collecting unemployment benefits. Special services, including orientation, assessment, and jobseeking and keeping classes, are directed at those who are least likely to return to work quickly. The Dislocated Worker program offers people affected by large plant closings the training opportunities to gain current, marketable skills.

Local employment and training providers serve eligible adults with a range of employment and training services. Older worker services are available, generally in the form of paid community service, to people over 55 who are economically disadvantaged. Services for military veterans help them transition to and compete in the civilian labor force. Women can find support, training and funding for required equipment if they pursue non-traditional careers.

PEOPLE WITH BARRIERS TO EMPLOYMENT

Individuals with personal or physical characteristics that may affect their ability to obtain or retain employment are also customers of the workforce development system. People in this group have diverse sets of skills and needs. While today's tight labor market has improved their employment outlook, the long-term challenge for this group is job retention, especially when the economy softens.

Our Vision

Minnesotans are self-sufficient. Self-sufficiency is determined individually. Every Minnesotan is able to contribute to the workforce in his or her own way. People with barriers to employment find help in overcoming those barriers, contribute to the best of their ability, and live independently.

Our Mission

The workforce development system provides information, tools and intensive services to help people with barriers work to their ability and live as independently as possible.



Snapshot of Outcomes

Customer Satisfaction

98 percent of Career and Independent Living customers would recommend its services to others.
91 percent of Vocational Rehabilitation customers felt their counselor understood their disability.

Performance Measures

87 percent of Vocational Rehabilitation customers are still employed 12 months after placement.
47,000 welfare recipients found employment.

Communication Center

Provides alternative formats of reading material for Minnesotans who have difficulty reading regular print.

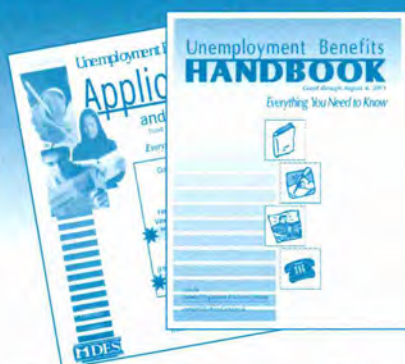


Services

Rehabilitation Services and State Services for the Blind assist people with disabilities to realize their potential. Many people need only information and referral services. Others, however, require more intensive services such as vocational assessment and rehabilitation, counseling, job coaches, individual support, and adaptive equipment. Extended Employment provides job coaches for people who need ongoing support to be employed. Independent Living provides equipment and support so that people can maintain their independence. The Store sells specialty items such as magnifying glasses and canes that help people with visual impairment. The Communication Center provides audio or Braille text of newspapers, books and other reading material.

People leaving the welfare system, typically women, often need intensive support services to deal with their many barriers. Job counselors help them assess their skills, plan their work search, and manage their personal issues, such as abusive relationships and limited problem solving skills, that create barriers to employment. Recent immigrants have unique language and cultural needs as they transition off welfare. English as a second language training is available statewide, and WorkForce Center staff advise employers on ways to embrace and support new diversity in their workplaces.

WAGE AND ECONOMIC ASSISTANCE RECIPIENTS



Snapshot of Outcomes

Customer Satisfaction

94.5 percent of applicants said they were satisfied with Unemployment Insurance Services.

"I really appreciate being able to take care of my unemployment on the phone. It saves me a lot of time. Thanks."

Performance Measures

96.4 percent of unemployment checks are paid on time.
97.5 percent accuracy of disability determinations.

Unemployment Benefits Handbook

Guides people through the process of receiving unemployment benefits.

Some people

are eligible for wage assistance. In 2000, approximately 100,000 people were between jobs and receiving temporary assistance in the form of Unemployment Benefits. Another 115,000 people were not able to work and eligible for Social Security disability payments. In 2001, MDES will again help low income families with their energy assistance needs as Energy Programs have been transferred to MDES.

Our Vision

Enhance the economic strength of Minnesota by providing wage assistance for disabled and unemployed individuals.

Our Mission

Provide timely and accurate wage assistance payments to eligible individuals and referrals to other assistance programs for those who are ineligible.

Services

Unemployment benefits are paid to people who have a history of work and are looking for work. Currently, the most a person can collect is \$427 per week for up to 26 weeks, depending on their work history. The average weekly payment is \$274, and 13.5 weeks is the average duration of benefits. The delivery of this service has undergone a radical transformation over the last few years. The entire application and ongoing benefit process can now be done via the phone or online. We have moved unemployment benefits from in-line to online.

People who are determined to be mentally or physically unable to work, according to the strict eligibility guidelines from the Social Security Administration, are eligible to receive monthly disability payments. They can receive disability payments for as long as they are unable to work.

Both of these services refer customers to the WorkForce Centers. People not eligible for wage assistance services may benefit from the WorkForce Center's reemployment or vocational rehabilitation services.

"We have a big year ahead of us as we continue to strengthen and improve the workforce development system."

WHAT'S NEXT?

We have a big year ahead of us as we continue to strengthen and improve the workforce development system. Over the last several years, we have created a strong, solid foundation by building the WorkForce Center System. Now, we eagerly look forward to expanding it into the best workforce development system in the nation.

Integration is a key focus for improvement over the coming year. We place a high priority on continuing to integrate the services of the various workforce development partners and ensuring that our customers receive seamless service. We firmly believe that our many programs and funding streams should be transparent to our customers. We will continue to expand the network of workforce development service providers so that local services are complete and customers have access to all they need to compete in today's marketplace.



We will also continue our work on a management information system (MIS) that supports all the programs we deliver. This MIS will be another milestone in our integration process. Currently we run several different systems resulting in duplication of data collection, cumbersome analysis, and slow response times. The new system, with phase one operational in the fall of 2001, will be more user

friendly for customers and will help us better analyze and manage the workforce development system.

As a further example of integration, Governor Jesse Ventura has just announced his recommendation to transform our agency and the Department of Trade and Economic Development into a new agency. By integrating the economic and workforce develop-

ment strategies previously carried out by the separate agencies, this new agency will be in an optimal position to maximize the state's return on investment from the federal funds Minnesota receives.

Integration Accountability Customer Focus

WHAT'S NEXT?

Accountability is another area of focus in the upcoming year. Our customers and our stakeholders want to know that we are providing the best possible services from public resources. While our federal funding partners have long provided us with an extensive set of programmatic measures, we are working toward an integrated system of performance measures that focus on outcomes, not process.

Accountability is only a means to our true goal — continuous improvement of our services. Customer satisfaction is an example of a key outcome measure we will use to improve our services. We are well on our way to implementing a statewide survey process to assess the satisfaction of our complex array of customers. While the foundation of the survey is the American Customer Satisfaction Index (ACSI), an industry standard that will let us compare our results with other states and private businesses, we will also ask additional questions that will guide our managers in process improvement.



We are working closely with the Governor's Workforce Development Council (GWDC) in their effort toward workforce development quality improvement initiatives. They are now planning their second annual Spring Training Institute to help Local Workforce Councils and their staffs implement quality improvement processes and accountability measures.

Customer focus is the third area we're working on. Our efforts to measure customer satisfaction are just one way that we will be examining our products and services. We want to insure that all of our products and services can meet the needs of our customers and are delivered in the way that customers want them.

An exciting initiative is our move toward E-government. Over the next year, we will continue to make our products, services and information more accessible to Minnesotans via

the Internet. This move to E-government gives us another opportunity to examine our products and services and ensure they are meeting customers' needs.

We are focusing outreach efforts to engage more customers and make Minnesotans fully aware of the breadth of services we offer. We are proposing funding for an Emerging Worker program to help high school students learn about the WorkForce Centers and career and training options. Universal services will be enhanced to better serve incumbent workers — those who are already working — in addition to our services to the unemployed. Local areas will continue to engage communities of color, especially recent immigrants, to provide the unique services they need.

We will also continue to reach out to people with disabilities to help them maintain their independence.

This is truly an exciting time of transition for us as we move fully into the new millennium — the possibility of structurally integrating workforce development and economic development, the full implementation of Governor Ventura's "Big Plan" with its focus on service, not systems, and the opportunities and challenges of working with new partners. Just as we are now helping workers move from layoffs to the next stages of their careers, we also must focus on moving ourselves into the next stages of workforce development. As we move forward with enhancing our integration, accountability, and, most importantly, our customer focus, we hope you will join us in advancing toward our ultimate goal — helping people help themselves achieve economic security.

FOR MORE INFORMATION

For additional copies of this report,
call 651-296-6545,
or toll free 1-888-234-1114.

This report is available on the Internet at
www.MnWorkForceCenter.org



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*The information in this brochure is available in
alternative formats such as Braille, large print,
audiotape, and computer disk by calling:
651-296-6545 or TTY 651-282-5909.*

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HD5876.M6 M56a 2000
Minnesota. Dept. of Economic
Security.
Annual report

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