

A background image showing a group of business professionals in an office setting. A man in a suit and tie is on the left, gesturing with his hands. A woman in a grey blazer is in the center, holding a smartphone. Another person is partially visible on the right. They are gathered around a table with a tablet, a smartphone, and coffee cups.

# Strategic Positioning of MEP Centers in Providing Workforce Services

CREC Contacts:

Mark Troppe

[mtroppe@crec.net](mailto:mtroppe@crec.net)

Allison Forbes

[aforbes@crec.net](mailto:aforbes@crec.net)

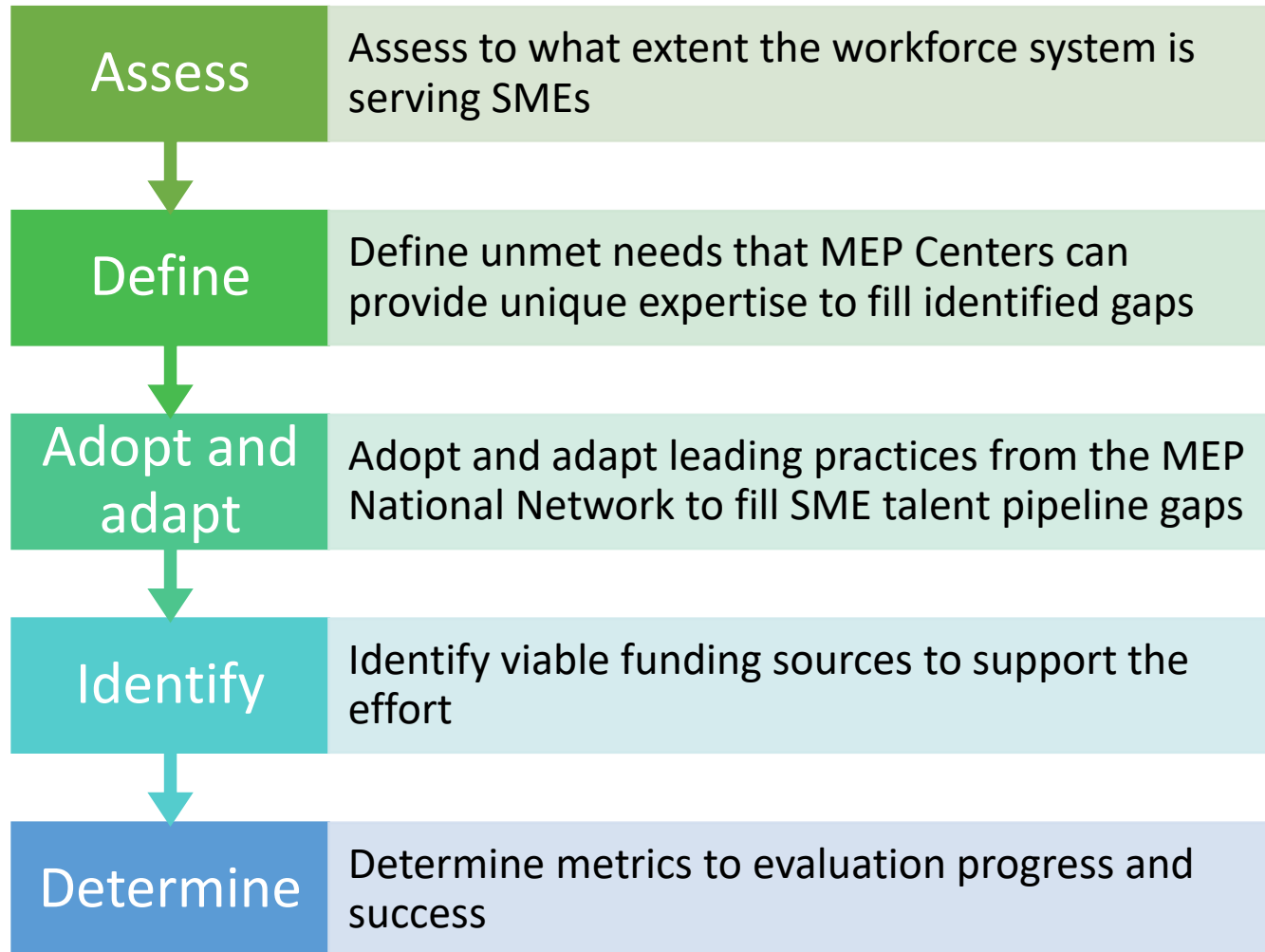
# Today's Desired Outcomes

- Increased Awareness of this work as a resource
- Understanding of content and how it might be used
- Get feedback on what's most helpful

# Why This?

- Opportunity for Centers to Expand Workforce Services
- Provide context, guidance, support
- Wide diversity of MEP Center engagement in workforce services

# Guide for Center Decision Making



# Strategic Positioning—Outline

- Background-US Manufacturing and SME Challenges
- Workforce Opportunities and Challenges for the National Network
- National Network Trends in Workforce Services
- Partnerships and Funding
- Center Programming (micro and macro, 4 case studies)
- Guide for Center Decision Making



# Background-SME Workforce Challenges and the Role of the MEP National Network

## Problem Statement

- Small Manufacturing Enterprises (SMEs) are critical to sustaining economic activity
  - U.S. manufacturers generated ~\$2.7 trillion in economic activity
  - Nearly 97 percent of manufacturing establishments employ fewer than 250 people
- SMEs face *acute* workforce challenges
  - SMEs are unable to compete with larger firms for a limited pool of labor
  - The pandemic exposed inadequate workforce pipelines to SMEs

## MEP National Network Solution:

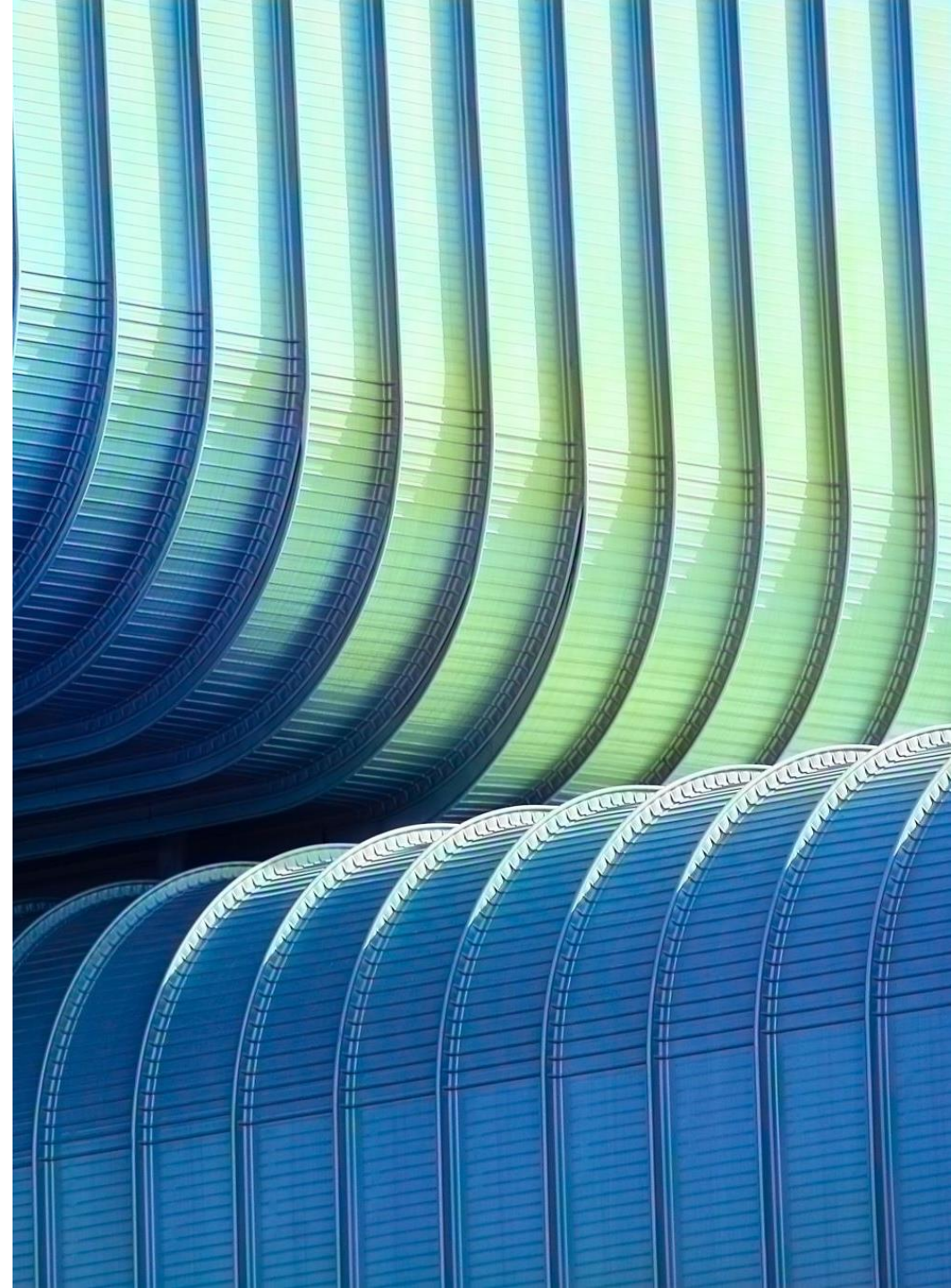
- Strong foundations with SMEs
- MEP Centers are helping to meet the workforce challenge
- Need to be taken to scale



# Four Factors for Change

Four factors demonstrate that the present is the optimal time for a systemic and far-reaching approach to MEP workforce activities:

- Persistent workforce challenges became readily apparent during the global pandemic.
- Addressing these workforce challenges requires expertise in addressing interconnected business challenges.
- Clear understanding of how MEP workforce programs, services, and expertise available to SMEs (thanks to NIST MEP investments) and increasing recognition among MEP Centers about their role in addressing workforce challenges
- Increased investment by federal agencies, states, and philanthropy to grapple with the national workforce challenges



# Workforce Opportunities and Challenges

- MEP Center Opportunities:
  - Strategically-positioned to help businesses mitigate business challenges
  - Experienced at engaging and managing partners to offer solutions to SME clients
- MEP Center Challenges:
  - “Soft” workforce issues may not always align well with Center’s technical and engineering interests and expertise
  - Complexity of federal public workforce system, encouraging free-ridership
  - Center cost share requirements are inconsistent with workforce program models
  - MEP performance metrics do not directly reward impacts from workforce services
- These historical challenges have led many Centers to focus more on serving manufacturers individually to deliver the highest return on investment and less on delivering programs that are hard to value, such as early career development programs



# National Network Trends in Workforce Services

- Workforce services have been increasing since 2011 both in number of projects as well as percent of all MEP Center activities
- Nearly all MEP Centers support **incumbent worker training** or **customized training** for client companies
- Many provide services **on company leadership** or **supervision**

## Results from the America Works survey: Strongest Workforce-Related Partnerships

MEP Center staff rated their relationships with workforce partners. Survey responses suggest that the strongest workforce-related partnerships were:

- **Manufacturing Sector Partnerships**
- **Economic Development Organizations**
- **State Government**

Source: CREC Staff Analysis of March 2022 America Works Survey Results

# National Network Trends in Workforce Services

- In a 2021 survey of MEP centers, more than three-quarters of the Centers identified **community colleges, economic development organizations, and workforce development boards** as key partners
- In a 2022 survey, MEP Centers said their **ties** with **community colleges, workforce development boards, and local non-profits** **were weaker** than with economic development organizations, manufacturing sector partnerships, state agencies, and state government
- MEP Centers who offer direct services exhibit a level of expertise in workforce programming that did not exist ten years ago:
  - 30% offer adult apprenticeships
  - 35% provide diversity, equity, and inclusion consulting
  - 23% include women-focused programs
  - 17% offer youth apprenticeship
  - 13% offer youth pre-apprenticeship

# National Network Trends in Workforce Services

## **Results from the America Works survey: Future Offerings in Workforce Services**

MEP Center staff chose programs they would like to offer in the future. Survey responses suggest that **MEP Centers seek to expand** programming in the following areas:

### **Consulting on Diversity, Equity, and Inclusion**

40 percent of Centers would like to offer these services

### **Youth Pre-Apprenticeships**

29 percent of Centers would like to offer these services

### **Youth Apprenticeships**

28 percent of Centers would like to offer these services

# Potential Partnerships and Funding

Populations with which MEP Centers have expressed an interest in working with more closely in the future include:

New  
Americans/recent  
immigrants

The formerly  
incarcerated

Displaced workers

Those with special  
needs

Veterans

Educational institutions have struggled to maintain programming for populations at high risk of unemployment and underemployment, and to meet the needs of SMEs. MEP Centers can help fill these gaps.



# Where will the funding come from for this work?

Federal Department	Legislation Title	Estimated Annual Budget
Labor	Workforce Innovation and Opportunity Act	\$3.9 Billion
Education	Carl D. Perkins Career and Technical Education Act	\$2 Billion
Commerce	Public Works and Economic Development Act National Institute of Standards and Technology Act	\$330 Million \$850 Million

**Table 1: Primary Federal Budgets for State and Local Workforce Development and Assistance**

Sources: Library of Congress. "H.R.2471 - 117<sup>th</sup> Congress (2021-2022): Consolidated Appropriations Act, 2022." March 15, 2022. Accessed September 12, 2022 at <https://www.congress.gov/117/plaws/publ103/PLAW-117publ103.pdf> (Agriculture, HUD, Labor, Education, Commerce)

# State Funding

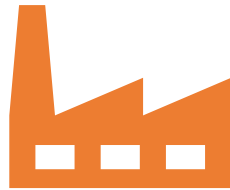
## Current Funding:

- Across all state workforce funding, only about 0.1% is clearly dedicated to manufacturing-specific programming in FY2021
- Is this funding sufficient for a sector that employs 8 percent of the U.S. workforce, and which generates 11 percent of total U.S. output?

## Funding Administration by States:

- States administer both federal and state funding.
- State and local workforce development boards (or councils) function as state and local level administrators of federal DOL WIOA funding and as local partners
- States can also strategically offer funds through various educational offices or institutions to strengthen the connection between education and workforce supply needs

# Examples of MEP in Action



**Programs can be divided into two groups:**

Programs serving individual manufacturers

Programs serving the manufacturing sector  
at large



**Each program-type has unique potential for revenue generation and different potential sources of funding. And there are still major gaps that only SME service providers can fill in each of these areas.**

# Four Cases: How Did They Do It?

INNOVATE Hawaii

FloridaMakes

New Jersey Manufacturing  
Extension Program

South Carolina Manufacturing  
Extension Partnership



# Four Case Studies: How Did They Do It?

CREC selected four cases to illustrate how public funding, partnerships, and MEP expertise are combined to improve workforce services to SMEs.

All four cases (from Florida, New Jersey, Hawaii, South Carolina) were identified as having a “macro” focus on industry- or sector-wide challenges.

These cases best illustrate increases in partnerships, funding, and resources for SMEs.

# Host Organization

## **INNOVATE Hawaii**

- Hawaii Technology Development Corporation (state agency)

## **FloridaMakes**

- An alliance of Florida's Regional Manufacturers Associations governed by Florida Advanced Manufacturing Workforce Leadership Council (AMWLC)

## **New Jersey Manufacturing Extension Program**

- None – not-for-profit

## **South Carolina Manufacturing Extension Partnership**

- None – not-for-profit

# Workforce Program and Funding

## INNOVATE Hawaii

- Apprenticeship supported by state labor department

## FloridaMakes

- Apprenticeship, including for youth and with DEI focus, supported by state education department and state workforce board (CareerSource Florida)

## New Jersey Manufacturing Extension Program

- Veterans and Community Recruitment supported by NJMEP Pro-Action Education Network (PEN) & Workforce Development team and by Department of Defense OLDCC.

## South Carolina Manufacturing Extension Partnership

- SCMEP Online Web-Based Training for Manufacturers and their Employees. Funded by fees charged. The online learning management system delivers training products to meet the needs of manufacturers in a timely manner. Employees (and other registrants) have access to online training.

# Key Partners

## INNOVATE Hawaii

- University of Hawaii Community Colleges – 7 campuses and educational centers

## FloridaMakes

- For the IMT apprenticeship programming requirements and curriculum development, FloridaMakes partnered with workforce boards and regional manufacturers associations. The collaboration was launched with support from AMWLC and sustained by the Florida Dept of Education Division of Career and Adult Education.

## New Jersey Manufacturing Extension Program

- CTE schools, vocational-technical schools, community colleges, career centers, community partners

## South Carolina Manufacturing Extension Partnership

- promotional partners and back-end partners



# Related Programming

## **INNOVATE Hawaii**

- Smart Talent (MEP model developed by Oregon MEP) with an emphasis on company leadership, supervisor training, and women in leadership

## **FloridaMakes**

- FloridaMakes local business advisors help businesses navigating funding and designing apprenticeship programs

## **New Jersey Manufacturing Extension Program**

- NJMEP Pro-Action Education Network (statewide scalable platform) helps to prepare job candidates, refresh incumbent worker skills, assess demand and supply, facilitate collaboration. Programming ranges from a 25-hour self-paced Manufacturing Associate course to multi-year apprenticeship (Logistics Technician Program is a key focus).

## **South Carolina Manufacturing Extension Partnership**

- joint programs with local community college or tech schools; transitioning, displaced, unemployed worker training

# Public Funding

## INNOVATE Hawaii

- state department of labor + manufacturing assistance program grant + Hawaii Small Business Innovation and Research grant (HSBIR) + state Small Business Development grant

## FloridaMakes

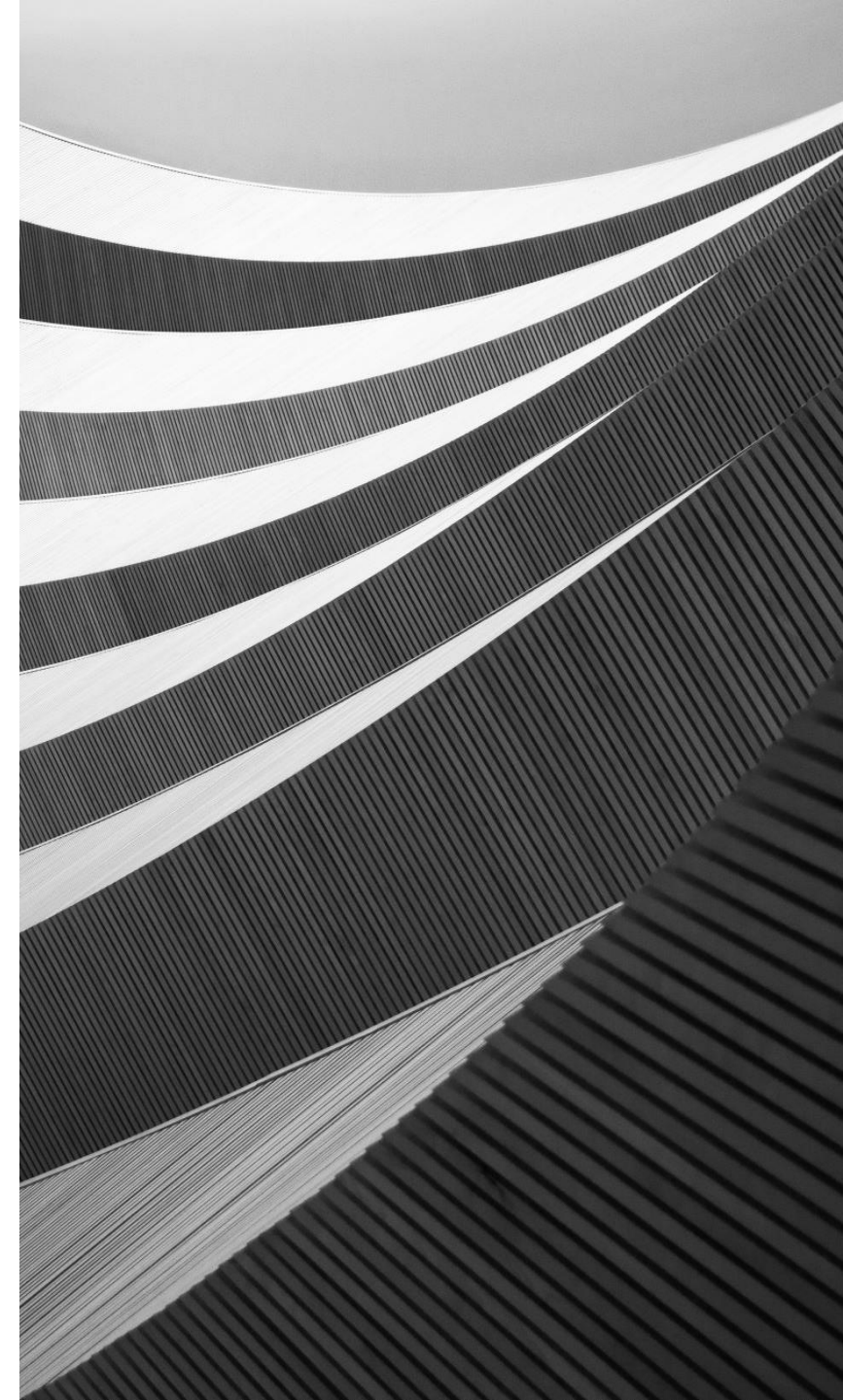
- Florida Department of Economic Opportunity and CareerSource Florida (state workforce board), including 24 local workforce boards and 100 career centers. State dept. of education supports sector partnerships, youth engagement, programs with tech schools, college student engagement, and DEI.

## New Jersey Manufacturing Extension Program

- In addition to Defense funding, veterans programming in apprenticeships is supported by the Department of Labor

## South Carolina Manufacturing Extension Partnership

- Related programming is supported by the state department of labor. The “state” provides funding for joint programs with local community college or tech schools. DOD supports cybersecurity training. The state provides partial funding for online training for registered South Carolina manufacturers.



# Workforce Population Served

## **INNOVATE Hawaii**

- college students and current employees at manufacturers

## **FloridaMakes**

- Gen Z talent

## **New Jersey Manufacturing Extension Program**

- Veterans

## **South Carolina Manufacturing Extension Partnership**

- general, flexible

# Guide for Center Decision Making

