

nextgentrucking.org

W H I T E P A P E R

Workforce Boards: **Is This The Answer to Trucking's Perpetual Need For People?**



Few industries face the workforce challenges that the trucking industry currently encounters. A soft market and tight margins suggest the need for streamlining wherever possible. Yet trucking is literally a people-driven industry.

Very little freight is getting anywhere without a human being behind the wheel. That means the solution to the soft market and tight margins – however strange it might seem to someone in another industry – is to hire and keep as many well-qualified drivers as possible.

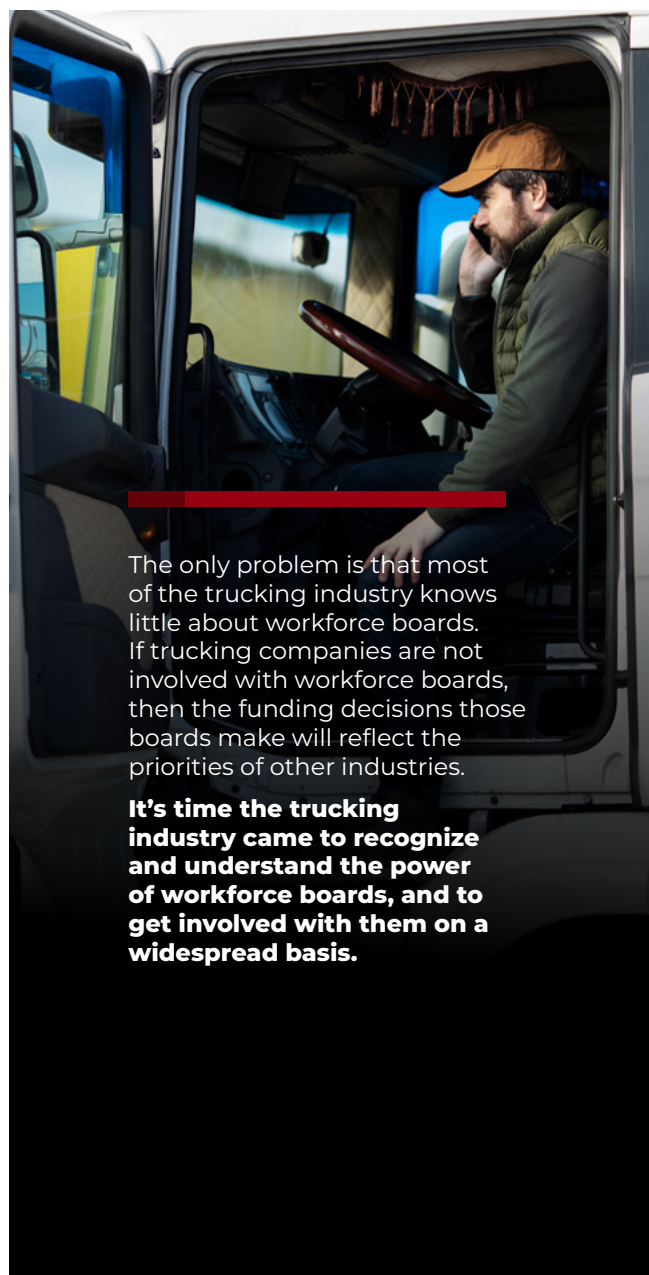
But trucking has a problem. The rewards of working in the trucking industry are actually quite attractive. But many potential drivers don't realize that – especially those who are young.

It's a tricky conundrum: Trucking needs young people to pursue jobs. Young people need jobs. But young people don't recognize how good the opportunity is in trucking, and many trucking companies don't know how to connect with, and make an impression on, these young people.

Yet there is a way to make these connections.

Indeed, they exist at the local level everywhere in the United States. And they are open for any employer to become part of. The only cost of getting involved with this resource is time and serious involvement.

We are talking about regional workforce boards – a series of regional entities set up across the country to connect employers to people, and to ensure both can access well-funded training programs. If ever a resource was tailor-made for the needs of the trucking industry, this is it. The trucking companies who get involved find they can access members of the workforce, in addition to training dollars that can help prepare the young would-be employees with whom the companies connect.



The only problem is that most of the trucking industry knows little about workforce boards. If trucking companies are not involved with workforce boards, then the funding decisions those boards make will reflect the priorities of other industries.

It's time the trucking industry came to recognize and understand the power of workforce boards, and to get involved with them on a widespread basis.



Federal Focus on the Workforce

Regional workforce boards are the creation of federal legislation designed to make job training and the requisite funds available across the country. A series of such laws has been enacted over the course of the past century, starting in 1933 with the Wagner Peyser Act. A key component of Franklin Delano Roosevelt's New Deal, this law was the first to establish a national system to aid in the promotion of full employment by creating a series of nationwide employment offices.

Over time, additional laws were passed to further the concept, including:

- » **The Manpower Development Training Act of 1962**, signed into law by John F. Kennedy, which funded the technical training of the unemployed and underemployed in the years following World War II. The law also provided funding to companies to help them keep workers who would otherwise have been displaced by new technology.
- » **The Comprehensive Employment and Training Act of 1973**, signed into law by Richard Nixon, which consolidated all federal job-training programs into one, providing training opportunities to those with low incomes, the long-term unemployed and those out of high school. This act provided funding to state and local governments in the form of grants.
- » **The Job Training and Partnership Act of 1982**, signed into law by Ronald Reagan, which allocated federal funding for programs that prepared young people and unskilled adults for available jobs.
- » **The Workforce Investment Act of 1998**, signed into law by Bill Clinton, which was the first to establish what were then known as Workforce Investment Boards (WIB), chaired by local community members from the private sector. A majority of WIB members had to be from the business community, and the boards would oversee workforce investment activities on the local level. The boards would seek ways to boost employment, retention and earnings of workers in their communities, and would have access to federal funds to deploy for these purposes.

The Workforce Investment Act of 1998 continued to govern the workings of local Workforce Investment Boards until 2014, when it was repealed and replaced by the Workforce Innovation and Opportunity Act (WIOA), signed into law on July 22, 2014 by Barack Obama. A bipartisan law, the bill's chief sponsor was Republican U.S. Rep. Virginia Foxx of North Carolina.

The primary objective of this law is to facilitate the match between people looking for jobs and companies looking for workers. The WIOA sought to simplify this process by creating a "One-Stop Delivery System" for career services, training services, access to programs and activities, workforce and labor market information, and job search, placement and recruiting resources.

Among the services made available through the WIOA and its requisite funding are:

- » Job training and related services to the unemployed and underemployed
- » Adult education and literacy services
- » Employment-related vocational rehabilitation services to those with disabilities
- » Job search, education and training activities to help people improve their employment prospects



Demand-Driven: An Opportunity for the Trucking Community

The WIOA is designed to be “demand-driven,” which means it supports programs and initiatives that are responsive to the needs of employers and employees in the local community.

To ensure that federal WIOA dollars are deployed in a way that addresses these local needs, WIOA provides for the establishment of Workforce Development Boards (WDB), which are the successors to the Workforce Investment Boards established in 1998.

The Workforce Development Boards are not just window dressing. They have real power.

The WIOA statute provides that the majority of the funding for programs administered through the law are allocated to local Workforce Development Boards, who are authorized to decide how to spend the money. That includes choosing the types of services, the providers of those services and the types of training programs.

One of the most critical functions of the WDBs is to establish sector partnerships and career pathways strategies by implementing industry/sector partnerships with employers. That means employers who are connected to the WDB and are familiar with its programs have the best opportunities to become involved

with these partnerships. It also means a particular industry whose training need is recognized by the WDB has the best opportunity to secure funding for programs that address that need.

At the same time, the prospective workers who get involved are provided with Individual Training Accounts, which they can use to access whichever type of training appeals to them. So if a particular industry is prominently involved with the local or regional WDB, and training programs that support its workforce are funded, there is a much greater chance that those workers will choose to participate in those training programs.

This is a golden opportunity for the trucking industry. And it's not particularly difficult for trucking companies to get involved with their local WDBs – if they know about them and recognize the opportunities they present.



How To Get Involved

Brad Turner-Little has served for the past year as president and CEO of the National Association of Workforce Boards. His organization helps coordinate the activities of WDBs all across the country, which requires him to be in tune with the needs of many industries.

Yet he is extremely knowledgeable about the needs of the trucking industry, and of the potential the industry could be taking advantage of if trucking companies get involved with their local workforce boards.

"They are a very human capital-driven industry," Turner-Little said. "They need drivers, so when you think about the purpose and function of local workforce boards, they exist to help the business community – small local businesses, medium-size, large, national footprints – they exist to understand the human capital need of industry sectors so they can work to both supply and create bridges to other organizations that supply and train – and build the competency sets to meet that human capital need

in the industry sector. When it works well, it's a seamless mechanism, whether it's Walmart looking for drivers or a private long-distance hauler. They exist to understand the competency need you have today and the needs you're going to have tomorrow."

Getting involved, he said, is as simple as contacting your local workforce board and expressing the interest. It's easy enough to Google, but you can also type in your zip code at careeronestop.org and it will identify your local workforce board for you.

These sites will provide you with a person you can contact to talk about involvement opportunities.



We look at how we can work together with training providers in the community, be they physical or online, and how we can work to create the talent pool you need to be able to meet all your talent demand,”

Brad Turner-Little

CEO of the National
Association of Workforce
Boards

Turner-Little encouraged trucking company executives to explore the possibilities in-depth, because there are plenty of them.

“We look at how we can work together with training providers in the community, be they physical or online, and how we can work to create the talent pool you need to be able to meet all your talent demand,” Turner-Little said. “That’s its core. That’s their sole reason for being, to do the very thing those trucking companies need at the moment – to deal with the labor shortage, lock arms with them and think about how the skillsets of those drivers are evolving and changing – and how that’s changing the way trucking companies think about their business model.”

And the more trucking company executives get involved with their local workforce boards, the more their colleagues on those boards will gain a better understanding of how the trucking industry and its needs have changed.

“When you think about everything from geolocation tools that the trucking companies are using to the evolution of things like route management, the business is so much more complex than just putting a pallet on the back of an 18-wheeler,” Turner-Little said. “And it shows up in the talent.”

The purpose of the local workforce board is to understand those complexities, especially as they apply in its own local market, and allocate the financial resources that support those programs making a difference.

They can’t do that if the trucking industry isn’t represented. But if it is, powerful things start to happen.

“Then the business development representative is able to work with the trucking company to understand where the available resources in the community are,” Turner-Little said. “They want to know, are they in essence creating enough supply in the market to meet your demand? If not, then the workforce board and the business services team are able to work with community colleges and other nonprofit training providers in the community to design and build the particular training program that company needs.”

The idea is to build training programs that support an entire sector, not just one company. Most often the workforce board has access to the workers themselves. It’s just a matter of connecting them to the employers who can offer the best opportunities and then getting them into the training programs that will position them to do well in the jobs.



How One Trucking Company Did It Right

A&M Transport is based in Glendale, Oregon. Andy & Marian Owens founded the company and are in their upper 80's. Andy Owens (Jr) now runs the company. A small operation, A&M is constantly on the lookout for drivers.

But Andy Owens wasn't really sure what to make of a visit in 2015 from his county commissioner, who walked into his office and said, "You've got to get in on this thing."

This thing was the Southwest Oregon Workforce Investment Board (SOWIB). It was a year since President Obama had signed the WIOL into law, and Owens's commissioner knew the company had a constant need for workers.

On the county commissioner's recommendation, Owens decided to give it a try. But it wasn't an immediate home run.

"I had no clue what it was," Owens said. "And I'll tell you honestly, I about gave it up a couple times because I wasn't able to connect the dots. It was a couple years before I finally figured it out – what the workforce system was, how it works, how you leverage it, and what participation could do for you."

But once he started to really get it, he recognized the potential for A&M and for the trucking industry in general if he could keep connecting the dots and others could do the same.

"The workforce board determines what industry sectors are going to be their main focus, and when they start directing funds to the local workforce offices, that's an influence," Owens said. "Once I got into it, I could tell the story of transportation and make people aware of it, how it all worked, and then it started making some difference, and we started getting some more focus on transportation here in Douglas County."

Just recently Owens said he was talking to a trucking industry colleague in a different part of Oregon, explaining to her exactly how he had worked in Douglas County to ensure that trucking would be one of the supported sectors for the workforce board – so she could do the same in her area.

Efforts like these have resulted in trucking having a prime position in seven of Oregon's nine workforce regions. Owens is a board member on his local board, and he explained how he came to occupy that position.

"When you get up in the major metropolitan areas, it's highly politicized," Owens said. "When you're in some of the rural areas, like here in Oregon, they have their monthly meetings, and I've been able to attend the meetings and tell the transportation story. Kyle Stevens, the executive director of my workforce board, has drank the Kool-Aid on how important transportation is. So it helps me tell the story."

As Owens has built his reputation as a solid board member, he has been approached by executive directors in other regions who are looking for board members, and want to know if there is anyone in transportation that he can recommend.

"I'm like, oh, heck yeah, I'll find you one," Owens said. "And I've filled two or three of them just through that route."

Since the workforce boards are required to have 51 percent participation from the private-sector business community, the opportunities for trucking company representatives are more extensive than some might expect.

Owens suggested to his executive director that they make a funding request that would cover three workforce areas in southwest Oregon – for funding that could train 325 CDL drivers. The effort was successful, and it included enough money to buy a mobile truck-driving simulator that makes Owens's voice pop when he talks about it.

"You, the instructor, can make it rain or snow or shine," Owens said. "You can send a deer across the road, or a pedestrian across the road, just out of nowhere. I'll just tell you how real-life it is. When you're driving a tanker full of liquid, whether it's fuel or apple juice, it has a slosh effect to it. With this simulator, you feel that."

Partly with the simulator as an attraction, the training program was **able to top its goal and train**

360
CDL drivers

That's a huge win for the trucking industry, and any other region that took a similar approach could achieve the same thing.

It's Hard Work Sometimes

Mark Colson is executive director of the Alabama Trucking Association, and he has encouraged his members to get involved with their local workforce boards. In the course of doing that, he has discovered there are complexities even to the best of opportunities.

Some Alabama workforce boards are arms of their local chambers of commerce. Some are standalone groups. Some are officially created via the WIOA statute. Some are not.

"It's just a mixed bag from Region 1 through 7 in Alabama," Colson said. "And I've heard different stories and my engagement with them has been different. I've spoken and visited with every region in Alabama and they have their own person that runs it with their own approach. And so it just depends on how engaged the business community is in that region, how effective that entity is at reaching out to the business community and offering services that benefit them."

To be sure, the trucking industry is not the only one vying for the training dollars these boards control, which is why Colson says it's worth it for Alabama trucking companies to put in the effort to master the system in their own local communities.

Otherwise the most high-profile projects will get all the money.

"We've got to have a seat at that table for the trucking industry to be able to, at the statewide level, influence decisions there and

make sure that our workforce needs are being met and heard," Colson said. "Because what happens in workforce development – and one of the reasons that the trucking industry and many other industries struggle in states, probably especially like Alabama – is the workforce dollars for the state follow the economic development incentives from the Department of Commerce or whatever entity does that in the state."

He cited recent high-profile projects for Mercedes, Hyundai, Toyota and Mazda – all of which received workforce training money.

"They are going to make sure those workforce dollars flow to the places where they've committed tax incentives," Colson said. "That's a challenge because we as an industry don't receive many tax incentives for economic development purposes. Yet the trucking industry employs 132,000 individuals in Alabama. We're one of every 13 jobs in the state."

That deserves a seat at the table. The entire trucking industry does.



The training dollars are there. The opportunity to have a voice in how they are used is there.

Trucking company executives only need to reach out to their local workforce boards and indicate their desire to get involved. From there things will likely fall into place.

Be prepared, of course. It will take time and effort to get the maximum value out of it. But in an industry that needs people, and we will always need people, it will surely be time well spent.