



NOVA Workforce Board
July 24, 2019 Study Session
Minutes

PRESENT: T. Baity, L. de Maine, E. Hamilton, K. Harasz, J. Hill, A. Manwani, J. Miner, J. Ruigomez, and A. Switky

ABSENT: M. Alvarado, S. Borgersen, J. Chu C. Cimino, L. Dalla Betta, V. Dang, B. Field, R. Foust, C. Galy, H. Goodkind, B. Guidry-Brown, P. Guevara, B. Knopf, L. Labit, S. Levy, M. Lucero, J. Morrill, S. Porter, C. Springsteel, and J. Sugiyama

GUEST: F. Benest

ALSO PRESENT: K. Stadelman, C. Stahl and T. Johnson

1. CALL TO ORDER

Acting Chairperson K. Harasz called the meeting to order at 12:05 p.m.

2. PUBLIC ANNOUNCEMENTS

No public announcements.

3. STUDY SESSION

Discussion Topic: Workforce Retirement Crisis:

- Considering the aging of the present workforce, how might we turn the coming retirement wave into an opportunity?
- How might we enable the effective transfer of knowledge from mature workers to the remaining workforce?
- Could we encourage later retirement or a blend of work/retirement (a middle step)?
- Is there a model for partnering experience with new labor market entrants (master/apprentice)?

Highlights of the discussion included (but were not limited to):

- Acting Chairperson K. Harasz opened the discussion after introductions by posing the question, “How might we turn the coming retirement wave into an opportunity?” The study session format allowed for an open and freewheeling discussion to share perspectives on the issue and discuss approaches to addressing it. There was no expectation that this discussion would result in a strategy or action for NOVA to take, although the Board will continue to follow new information and the efforts of others to address the “Workforce Retirement Crisis.”

- Board Member S. Levy's recent report on the topic had been circulated prior to the meeting. In addition, Director K. Stadelman brought an article to the discussion "Boomer Brain Drain: The Big Mistake Employers are Making" which presents the results of a survey of 1,500 baby boomers by Express Employment Professionals (a major North American staffing company), <https://www.pbs.org/newshour/economy/column-employers-are-failing-to-stop-the-baby-boomer-brain-drain>. A tool for phased retirement was also mentioned, <https://www.respectfulexits.org>.
- There is a trend in the government sector. We all want tax dollars to be used well but without effective mature leadership, there isn't a clear path forward. Elected officials cycle in and out due to term limits and career service staff can use experience to prevent waste. Governor Brown's pension reform prevented retirees from returning to work beyond 900 hours per year. Still, this could be a middle step for utilizing retired workers.
- There must be a multi-pronged effort. We need flexibility, possibly phased retirement, and maybe seasonal options. Some people can't afford to retire, but due to physical decline or ageism they can't see a future career path. Some people want to work in unusual patterns, such as work for a few months and then take a few months off or gradually decrease their work hours. We must be better at utilizing people for mentoring, advising, and consulting so people don't leave with all of their knowledge.
- The issue impacts NOVA and its customers in several ways: There is a shift out of tech to other workforce industries, and the challenge is getting local companies to hire NOVA's short- and long-term, underprivileged or retooled customers. Business doesn't always turn to NOVA for talent. Many women are leaving the workforce for caregiving. Deloitte is bringing them back. Mature workers are working longer because they are living longer. Many people are being left out of the economy. Given workers' experience, how do we move them to productivity? Who are our target groups? NOVA should start with its strengths. What are we already doing at NOVA that is working? Use NOVA Alumni and figure out how to amplify.
- The problem is a demographic one. We need a million graduates. There are places where it works well. Board member S. Levy sees it as a demographic wave. Do companies see it that way? Larger companies see this as a crisis (e.g. PG&E). Is it possible that another economic crisis will reduce the impact of the loss of workers from retirement?
- Some see it as a management crisis. There is an analytic approach that experience brings to management. It is succession planning, not necessarily mentoring. It is a quiet crisis. Talent issues and succession were considered nice to do. Now it is a "have to do" scenario. We can't just steal talent anymore in the public sector.
- We have to differentiate between the public and private sectors. In the public sector, the barrier is a disincentive due to the pension situation. The public sector sometimes has trouble recruiting for the public sector because cultures are "stodgy." In addition, the sector has to mentor new people because it can't get experienced people. But the public sector provides a mission that makes it attractive. What can the public sector do

to make its culture more accommodating to younger workers? In the private sector, the workforce crisis has always been an issue. Large companies have always worked on it in order to survive. They don't expect people to be there for more than two years.

- The retirement wave is going to cause problems that will manifest in various ways, like insufficient supply of workers, lower and middle management being promoted or given responsibilities before they're ready. There are three types of knowledge - explicit, tacit, and embedded. It's not so bad losing explicit knowledge since it can be captured and shared easily; tacit knowledge takes experience and is harder to replace; but it's the embedded knowledge - how the company culture works and why it is the way it is, what has been tried in the past, etc. - that's so hard to replace.
- Another perspective expressed is that culture isn't important and that turnover is good as it achieves constant renewal of the workforce. There is no HP (formerly Hewlett-Packard) approach anymore. It's about each person making his or her self a professional. The company owes workers a short learning curve to get them as productive as possible, as quickly as possible. Silicon Valley companies got big by being more productive and cutting workers. It's churn.
- To prepare workers, community colleges are not just fully engaging older workers but better training for new workers and retooling mature workers. We need a shift in resources – how do we get them through the process? Recently, there has been greater investment in Career and Technical programs. Foothill has the largest apprenticeship program and graduates of many programs have a guarantee that they can transfer or “scale up.” Many students must be in the workforce while studying, but the graduation rate is much lower for part-time students. There is a greater appreciation for community colleges and what they can do, such as dual enrollment with high schools. Better collaboration is needed between education, government and business. Colleges see themselves as educators rather than trainers because they are producing good citizens.
- Another perspective is that knowledge could be considered irrelevant unless you have expertise. Everyone wants to hire experts, not just people who are pretty good. They want to maximize profit. We should figure out how to transfer expertise instead of knowledge. We could create technology to capture the expertise of any position and transfer it in 500 hours of training. It could be automated with software. We could get industry to come to us, be a force multiplier.
- We can distill the technical parts of the job, but we need to teach people how to think. Employers say the number one thing they are looking for is soft skills or essential skills and that is challenging in knowledge transfer. How do we teach soft skills? We have a neglected pipeline. We need to be okay with millennials wanting to work differently.
- We should empower people to work and learn differently. Fifty percent of students are taking courses online. The most active time for students online is Saturday night to Sunday morning. When are we open to assist them?

- One approach to addressing the workforce gap is the Trades apprenticeship model that has been very successful. How do we expand upon it, “franchise it”? The trades could use a bigger market share to expand on their success in apprenticeships. They do use retirees to assist with training but have trouble keeping them in the area due to the high cost of housing. The trades only take in the number of apprentices that they need to meet demand so expansion would require more project labor agreements. Expanding to other crafts requires a market share and still housing costs will drive successful trainees out of the area.
- We need a policy view – how to enable a middle step between full-time work and full-time retirement. Sometimes baby boomers must return to the workforce to assist when millennials are not ready. If the older workers are leaving, what do you want to know? Millennials want mentoring and coaching.
- Solutions need to take into consideration corporate needs, as well as the personal needs of retiring workers. Some solutions that were discussed include: create a new category of (semi) retired that allows someone to work without sacrificing or violating pension rules; post-retirement career training at the community colleges; both an older plus younger apprenticeship program and possibly a younger plus older program to help older adults learn how to work in new environments.

4. ADJOURNMENT

The meeting was adjourned at 1:30 p.m.