

Executive Summary



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CENTRAL FLORIDA TALENT GAP ANALYSIS EXECUTIVE SUMMARY

The availability of a skilled workforce is widely recognized as one of the most critical factors in economic development. Expansion and relocation decisions hinge on the ability to hire workers with the skills and experience companies demand. The Talent Gap Analysis study was undertaken through a partnership with CareerSource Central Florida, Brevard, and Flagler Volusia and the Florida High Tech Corridor Council to align the skills needed by area business with Floridians seeking employment.



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The availability of a skilled workforce is widely recognized as one of the most critical factors in economic development. Expansion and relocation decisions hinge on the ability to hire workers with the skills and experience companies demand.

Aligning workforce supply and demand is no easy task. Talent gaps exist when open positions go unfilled because of a lack of skilled labor. Filling those gaps and aligning the dynamically changing skills needed by businesses with regional workers seeking employment is crucial to a region's economic development success.

In order to identify solutions to widen the talent pool, address skill gaps, and better prepare Central Florida organizations for future growth, CareerSource Central Florida, Brevard and Flagler Volusia partnered with the Florida High Tech Corridor Council to commission the Central Florida Talent Gap Analysis. By engaging leaders throughout a wide variety of industry sectors, the organizations sought to identify talent gaps in an eight-county region of East Central Florida and develop recommendations to address those gaps, in order to expand the pipeline and fill jobs with existing talent.

This study is an extension of the 2012 Tampa Bay Information Technology Workforce Analysis and 2013 Hillsborough-Pinellas Manufacturing Workforce Analysis that were supported by The Corridor and partners in the Tampa Bay area. As with the earlier studies, the Central Florida Talent Gap Analysis found that organizations have a number of open positions and foresee additional hiring over the next two to three years. The challenge companies face is finding candidates who possess the desired skills. The challenge talent has in finding an open positions is understanding the skills needed by companies.

The study, which included surveys, interviews and focus groups with employers in companies large and small and across a wide range of industries, found that:

- A majority (61 percent) of companies responding to the survey reported difficulty with hiring and recruiting, with 55 percent reporting that "lack of experience" was a reason for not filling a position.
- Companies see a number of job applicants lacking in "soft skills" such as motivation, time management and oral communication abilities.
- The use of recruiting firms has declined for all but C-level recruitment, while a majority (65 percent) are turning to employee referrals as a key strategy for recruiting talent.
- Manufacturing companies reported the greatest difficulty (84 percent) filling positions, followed by Hospitality (83 percent), Health Care (79 percent), Government (65 percent) and Professional Services (61 percent).
- Forty percent reported an increase in training for new hires, interns and incumbent workers.
- The lack of available applicants with three to five years of experience was cited as the greatest hiring challenge for most companies.
- While the long-term unemployed continue to face difficulties finding open positions, employers noted interest in hiring the long-term unemployed if they have been active in areas such as workforce volunteering, seeking to refresh skills or obtain new certifications.
- Business leaders believe more should be done to market the wide range of high-paying jobs in the region.
- Twenty-two percent of employees reported a relationship with an educational institution which included speaking to students to assisting with the curriculum development.

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- New positions are being created that required new skills not taught in the classroom
- Need strategies to rapidly incorporate new technologies and skills into educational & training programs
- Students need to increase exposure to career options reflecting current and future jobs

The Process

The Florida High Tech Corridor Council and CareerSource Central Florida contracted with the author of the *Tampa Bay Information Technology Workforce Analysis* for project management of the study, and established a partnership with CareerSource Brevard and CareerSource Volusia Flagler.

Survey

An online survey was distributed by partners to more than 12,000 businesses of all sizes in an eight-county region: Brevard, Flagler, Volusia, Lake, Orange, Osceola, Seminole and Sumter. The survey was designed by the CareerSource Central Florida Talent Gap team with review and input from CareerSource Flagler Volusia, CareerSource Brevard, UCF-Operational Excellence & Assessment, Valencia College, Lake County Schools and the Lake county Chamber of Commerce.

Two hundred sixty nine surveys were completed, with a majority of the respondents representing companies with less than 50 employees. Sixty-three percent of the responses were submitted by those at the CEO or VP/Director level.

Survey respondents represented 91,393 employees, 6 percent of the regional workforce, and identified an additional 5,542 current and future job openings, with 66 percent representing hires over the next two to three years.

Interviews

Interviews were also conducted with 21 leaders from different industries to confirm the questions on the survey and to expand understanding of the issues.

Focus Groups

Five focus groups were conducted throughout the region to validate the survey results and gain additional insight into solutions and partnership opportunities.

Key Findings

Hiring

A majority of companies (61 percent) reported difficulty hiring and recruiting staff, with manufacturing and hospitality industries reporting the greatest challenges (84 percent and 83 percent, respectively). The most commonly cited challenges related to the lack of skilled applicants.

Companies reported challenges recruiting talent with both hard skills (technical proficiencies for the open position) and soft skills (critical thinking, problem solving, basic reading and math, etc.). Nearly all respondents noted the critical importance of soft skills such as motivation, oral communication and time management.

The primary hiring challenge relates to the availability of talent with three to five years of workplace experience. While companies reported an interest in hiring the long-term unemployed for such positions, if they had been active in volunteering or seeking to refresh skills or obtain new certifications, many report that long-term unemployed individuals have turned down jobs because of perceived low salaries or the desire to wait for the “right” job.

Recruitment/Retention

With the cost to replace talent ranging anywhere from 30-50 percent of the annual salary for entry-level positions to 400 percent for specialized positions, companies are increasingly turning to recruitment methods such as employee referrals. According to *Jobvite*, employee referrals result in the highest applicant to hire conversion rate, higher job satisfaction and retention rates, and lower recruitment costs. The use of recruitment firms has fallen for all except C-level hires.

Internships were found to offer a unique opportunity to source talent, with a majority of survey respondents (59 percent) offering internships. A National Association of Colleges and Employers study found employees who completed internships or co-op programs with their employers had higher retention rates.

Retention issues cited most often relate to compensation, leading to a fear among many companies that experienced talent (especially among the millennial generation) will leave after gaining several years of experience and training.

Training

With the cited challenge of finding and retaining talent with three to five years of experience, an alternative approach is developing existing staff to address skill gaps. Training expenditures are increasing nationally, with technology and manufacturing sectors showing 20 percent increases.

Larger companies in the region are offering “social learning,” which engages employees in a formal course and a discussion of the learning. Companies with effective social learning programs also organize employee networks to connect novices and experts within the organizations.

Companies agreed that a continuously learning workforce is necessary to maintain a competitive edge. Eighty-two percent reported providing continuous training to seasoned staff.

Business and Education Partnerships

There is a need to refine the pathways taken by students on their journey from education to employment that integrates the knowledge learned in the classroom and the skills required by business. Job skills are constantly changing and some will be obsolete at the conclusion of a four-year college degree.

Businesses showed a keen interest in partnering with educational institutions to define skills students need prior to entering the workforce; however, only 22 percent of respondents currently have such a partnership role.

An interesting model has emerged in Brevard County where CareerSource Brevard has contracted with Eastern Florida State College to manage 11 industry advisory boards that provide input on curriculum development.

Partnerships can also create opportunities for students to combine relevant knowledge gained in the classroom with the skills required in the workforce. Blending of traditional classroom-based learning with online and experiential learning, internships and boot camps can help students acquire necessary skills before entering the workforce.

New certifications added to the Career and Professional Education (CAPE) list also present opportunities to increase the number of students earning certifications prior to graduation.

Workforce Diversity

Though a majority (71 percent) of business leaders reported satisfaction with the candidate pool necessary to recruit a diverse workforce, difficulty was noted in the ability to recruit minorities and women for engineering and technical positions.

This tracks with studies showing that women, African Americans and Latinos earn fewer STEM degrees. Businesses may have a potential role in raising graduation rates through internships, classroom preparation and curriculum design.

Marketing

Business leaders agreed on the need for regional marketing efforts to build awareness of the wide range of high-paying jobs and help recruit talent to the area. This included discussion in interviews and focus groups of the need to broadcast the relationship of colleges and universities as a source of talent for a wide range of industries.

Challenges and Opportunities by Industry

1. Manufacturing
 - a. There continues to be a stigma attached to the field despite the fact that positions offer a wide range of pay and require a wide range of educational attainment.
 - b. Employers reported the need for higher skilled workers to utilize increasingly technical equipment
2. Optics and Photonics
 - a. The industry must overcome a lack of awareness of the career path to high-paying jobs in the field.
 - b. Many programs are being developed to product new talent
3. Hospitality and Retail
 - a. Opportunities for high-wage employment and career advancement are not well-understood by job seekers.
 - b. A need exists for development of a career path that encourages entry-level staff to acquire skills that allow them to move into progressively more responsible positions with increasing pay.
4. Education
 - a. Teaching and counseling positions are both in high demand, with a number of open positions
 - b. A slight shortage exists from which to recruit postsecondary business teachers, despite competitive wages.
5. Construction
 - a. Employment is projected to grow 25 percent from 2012 to 2022.
6. Health Care
 - a. A number of home health aide positions are set to open over the next two to three years, and the career path is expected to grow 40 percent through 2021.
 - b. Companies reported difficulty in filling open registered nurse positions with experienced talent. Recruitment was reported as a significant expense.
7. Financial Services
 - a. The vast majority of future job openings reported in this industry are in customer service, requiring soft skills development.
 - b. The Bureau of Labor estimates a 20 percent expansion of financial advisor jobs; however, the talent pool to recruit new talent is below the standard, indicating a potential gap.
8. Professional Services
 - a. Competition for jobs in the legal field will continue to be strong as more students graduate than there are positions available.

- b. Auditor positions are requiring a constant upgrading of technical skills.
- 9. Scientific & Technical
 - a. While survey respondents indicated little difficulty filling positions, during the interview process leaders indicated difficulty finding qualified personnel.
 - b. The aerospace industry continues to be impacted by the retirement of the Space Shuttle program in 2010.
- 10. Other
 - a. Small businesses reported a challenge in funding training for employees in high-turnover, non-degreed positions. Adding certifications to the CAPE list, allowing students to complete training before employment, could alleviate this.
 - b. Port expansion promises to create a number of opportunities for high-wage labor.

Recommendations

The study recommends a mix of local and regional solutions to integrate technical and strategic changes in the workplace with the public and private education system and generational workforce dynamics, to strengthen pathways to the workforce. Recommendations include:

Expand regional marketing efforts with the goal of attracting both talent and new businesses

1. Focus on the longstanding relationship between regional industries and educational institutions.
2. Capitalize on the efforts being taken regionally to address talent gap issues as a business development strategy.
3. Market innovation intrinsic to the region through the Florida High Tech Corridor Council collaboration with education and high tech firms.
 - a. Matching Grants
 - b. FLVEC and GrowFL
 - c. Incubators
4. Market internships for area companies to Florida students and out-of-state students at colleges with specific degree programs that benefit regional businesses.
5. Conduct an Industry Contribution Study of the industries having the greatest economic impact and focus talent development to support these industries.

Expand Quick Response Training (QRT) and Incumbent Worker Training (IWT) programs through CareerSource boards to help businesses and workers advance and maintain competitiveness and technological skills

1. Programs to assist small- and mid-sized businesses, which have the lowest training budgets but create the greatest number of jobs
2. Grants should allow for training to complete state-required certifications for specific jobs requiring specialized skills.

Expand opportunities for post-secondary students to learn the latest technologies that are needed in high tech firms across all industries.

1. Deliver training through multiple strategies including boot camps, internships, job shadowing and special projects.
2. Training opportunities can be incorporated into existing curriculum, developed for new credited courses or used as courses of independent study.
3. CareerSource boards and businesses should develop an ongoing process to identify needed skills.

4. Marketing efforts should advise students of career opportunities attached to training options and the benefits of acquiring certifications prior to graduation.
5. Define new CAPE list certifications to reflect rapidly evolving needs of businesses, including development of soft and technical skills.
6. Expand internship opportunities for students to apply skills learned in-classroom and in alternative training such as boot camps, massive open online courses and self-directed learning.
7. Expand options for the long-term unemployed to learn new skills, to include boot camps, massive open online courses (MOOCs) and self-directed learning.

Increase cross-disciplinary skills development through exploration of double majors/minors or certifications in high-demand technical skills.

1. Leverage the requirements of the Florida Comprehensive Education Bill and the CAPE list to expand opportunities for rapid delivery of skills training.
2. Engage businesses in defining the technical and soft skills required to meet current and future needs.
3. Define new STEM skills certifications and those that reach across multiple disciplines – technical, social science and liberal arts.

Expand Career Pathways model to expand the number of students gaining essential knowledge and skills, completing degree or certificate programs, and obtaining jobs with competitive wages in high demand areas.

1. Connect businesses with students at all levels to offer boot camp style training or internships to increase the number of graduates with technical or vocational certification.
2. Work with companies to identify the most desired certifications and develop boot camp curriculum based on need. Define new CAPE list certifications that combine completion of classroom courses and newly defined skills certification programs.
3. Coordinate a series of community conversations engaging education and businesses to identify career pathways for students, and define strategies to deliver the skills students need to move from education to employment.
4. Market the Career Pathways for all industries to parents and students early and often.
5. Expand techPATH/techCAMP and stemCONNECT programs to increase middle school student awareness of tech careers.
6. Identify existing student groups or create groups to establish conduits between businesses and students similar to the Tampa Bay Technology Forum Student Chapters.

Allow marketing of jobs across CareerSource Board boundaries to increase the audience for jobs listed by companies.

1. Provides greater efficiency for companies conducting job searches
2. Expands opportunities for job-seekers to explore jobs in multiple regions.

Establish peer-to-peer groups between business and education to increase networking opportunities with professionals who provide support to students entering the workforce. This can include:

1. Educator and business leader networks
2. Career counselors and HR professionals
3. Students and businesses, using successful program models such as *Tech Treks* bus tours and connections with on-campus student association and industry clubs
4. Innovations Orlando sponsorship of quarterly events to allow groups to network and share issues and ideas

Define leadership for implementation study recommendations to include representatives of businesses, CareerSource, FHTCC, economic development organizations, public and private educational institutions, and association groups.

1. Model implementation of recommendations in the 2012 Hillsborough and Pinellas County Technology Talent Gap Analysis.
2. Identify a champion to take a lead role in implementation with appropriate seed funding from partners.

For Further Information

The Executive Summary was prepared by Curely and Pynn based on the Central Florida Talent Gap Analysis completed by Patricia K. Gehant, MA, CCIO, Gehant & Associates, LLC in cooperation with the CareerSource Central Florida team. Funding for the project was provided by the Florida High Tech Corridor Council and CareerSource Central Florida. The full report can be found on the website of the CareerSource Sponsors.

For further information regarding the next steps contact one of the four partners:

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