



Welcome

Franco Bianchi
CEO/President, Haworth



Agenda

3:30 PM Welcome and Meeting Overview

3:35 PM Talent Agenda for Michigan, *Governor Gretchen Whitmer*

4:15 PM Improving the Scale and Quality of the Workforce

4:45 PM How Leading Practices, Employer Engagement, and Funding can Improve K-12 Education

5:20 PM Workforce Diversity & Inclusion Update

5:30 PM Adjourn



CEO Council Leadership Meeting

May 15, 2019

The logo for TALENT 2025, featuring a circular icon with orange and blue segments followed by the word "TALENT" in dark blue and "2025" in white on an orange background.





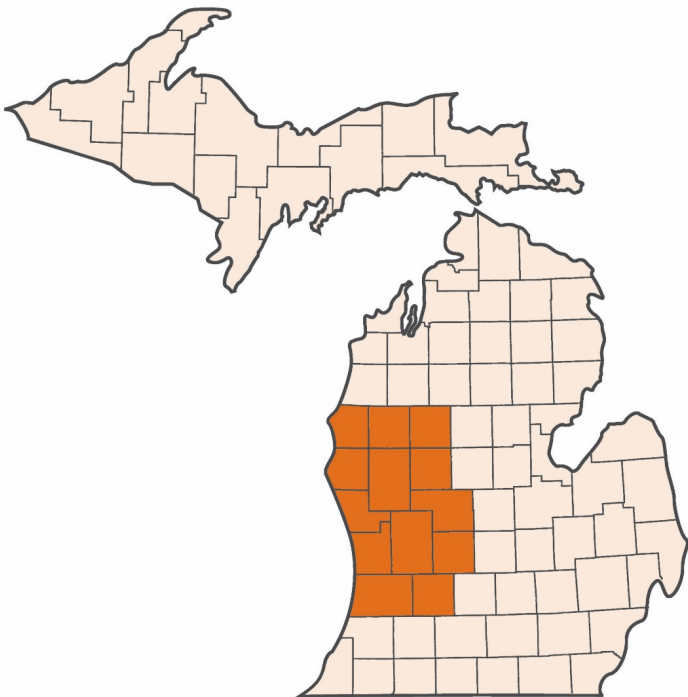
Becoming a top 20 region for talent

Fred Keller

Chairman, Cascade Engineering



Convening Sector Leaders



Our Mission

Talent 2025 is a catalyst to ensure an ongoing supply of world-class talent in West Michigan



Our Vision

To make West Michigan a top 20 region by the year 2025



Our KPI

64% of West Michigan's workforce to have a post secondary credential by 2025 (59% as of 2017)



Our Approach

Talent 2025's CEOs convene stakeholders and facilitate collaborative working groups to achieve the following:



Illuminate

performance gaps within
West Michigan's talent
system



Evaluate

leading practices



Advocate

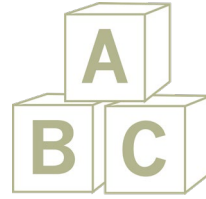
for these leading practices
to be implemented across
the region



Working Groups



Diversity and Inclusion



Early Childhood



K-12



Talent Demand



Workforce Development



Post-Secondary



Lessons Learned - *Supply Side*



- Investing in early childhood: yields measurable results



- Reading by 3rd grade: correlates with high school graduation rates



- Elementary schools: lack the right books and/or highly trained reading coaches



- Michigan: Spending leader for K-12 education BUT NOT enough money is reaching the classroom



- Teachers: Need more training in the effective literacy instruction



Lessons Learned - *Demand Side*



Upskill current workers



Hire returning citizens



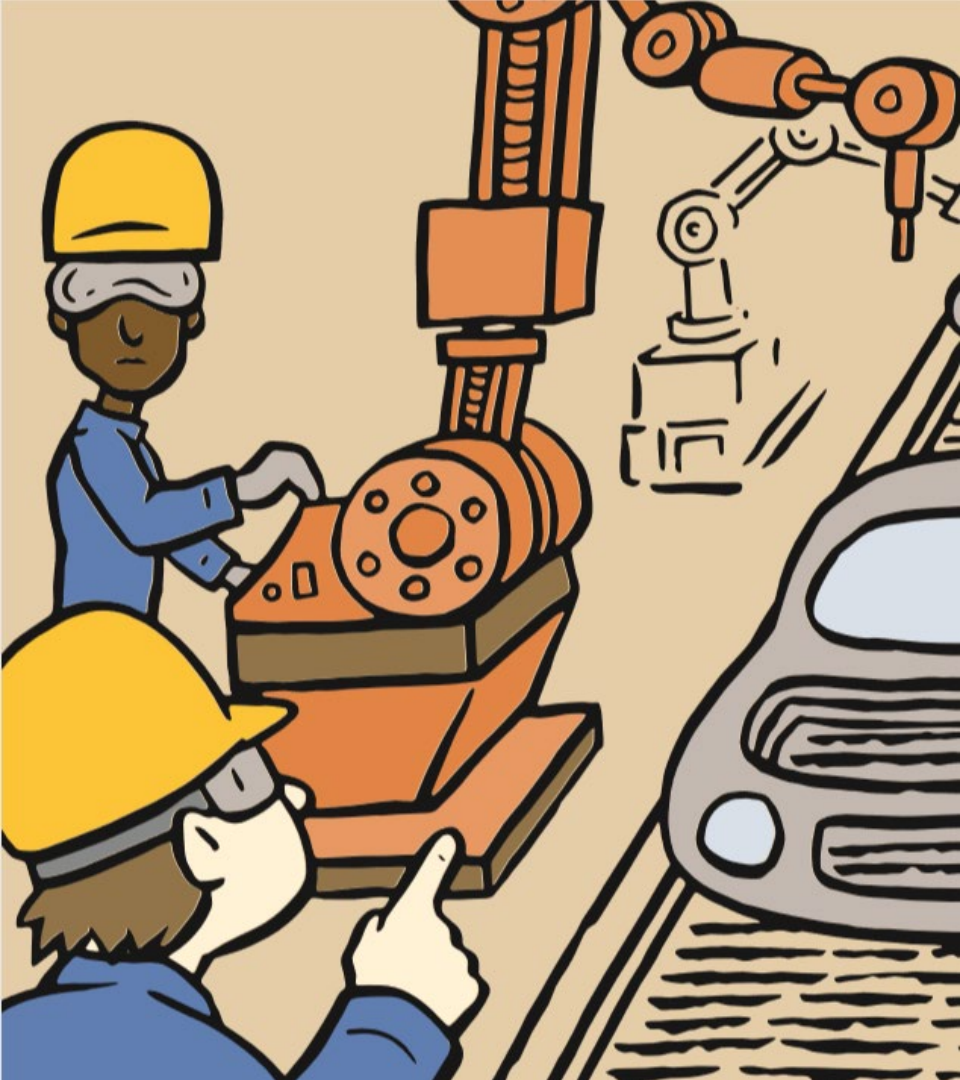
Attract, retain and develop diverse talent



Define career pathways



Quantify talent demand



THE ROAD TO OPPORTUNITY

*GOVERNOR WHITMER'S
FY'20 BUDGET PROPOSAL*

MICHIGAN HAS
a diverse economy and communities,
world-class culture and sports, great
universities, and timeless natural beauty.
However, to strengthen our state and
improve our ability to compete in the
21st century, we need to rebuild our
infrastructure and make foundational
investments for the things that connect
us all: roads, education, skills, and water.

As we look to the future, we are
presented with a
FORK IN THE ROAD
providing a clear decision: Do we invest,
build, and thrive or do we continue to
divest, stagnate and decline?

DECISION
AHEAD

THE
**MICHIGAN
LEGACY**

Our budget presents bold solutions to
strengthen our communities, grow our
economy, and prepare us for the road
ahead.
**LET'S BUILD OUR FUTURE
TOGETHER!**



2020 BUDGET

Total State Budget

\$10.7 billion	General Fund
\$10.9 billion	Restricted Fund
\$14.0 billion	School Aid Fund
\$23.1 billion	Federal Funds
\$1.5 billion	Other Funds
<hr/>	
\$60.2 billion	Total Budget

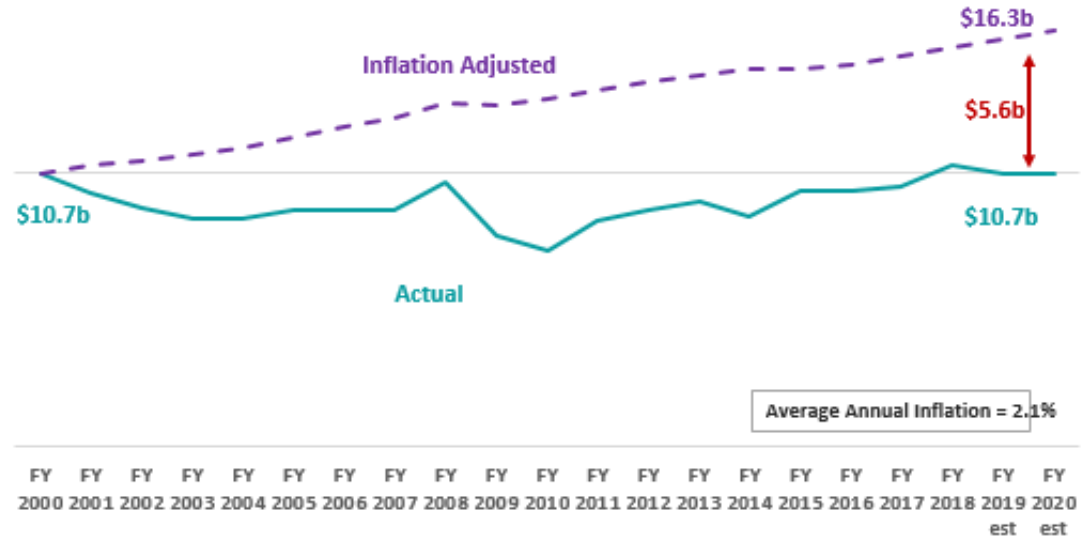
MICHIGAN GENERAL FUND OVER THE PAST 20 YEARS

General Fund – General Purpose Revenue Remains Under \$11 Billion

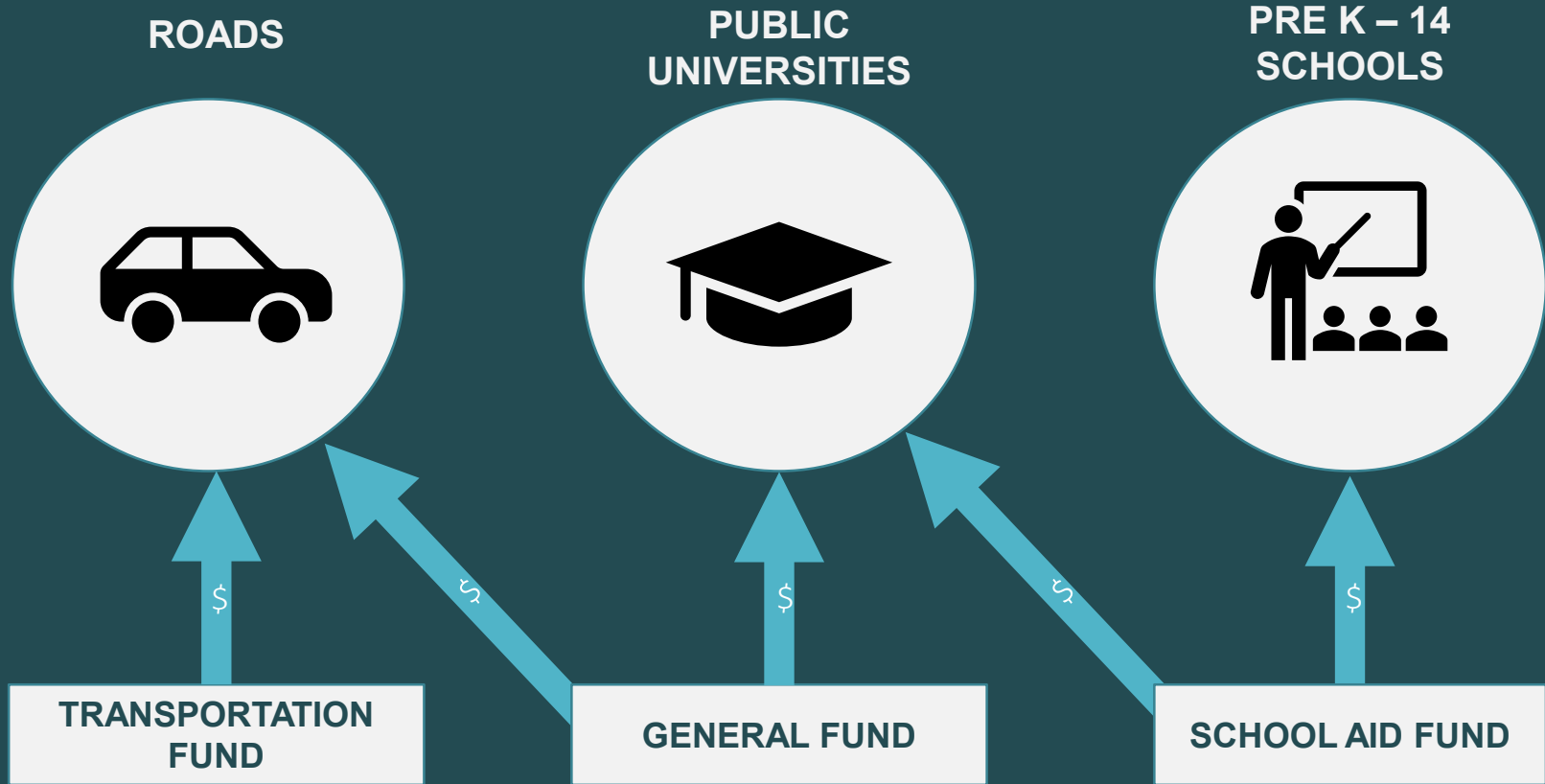
(Graph in billions of dollars)



Michigan's
General Fund
would be more
than \$5 billion
higher if it had
merely kept up
with inflation
since 2000



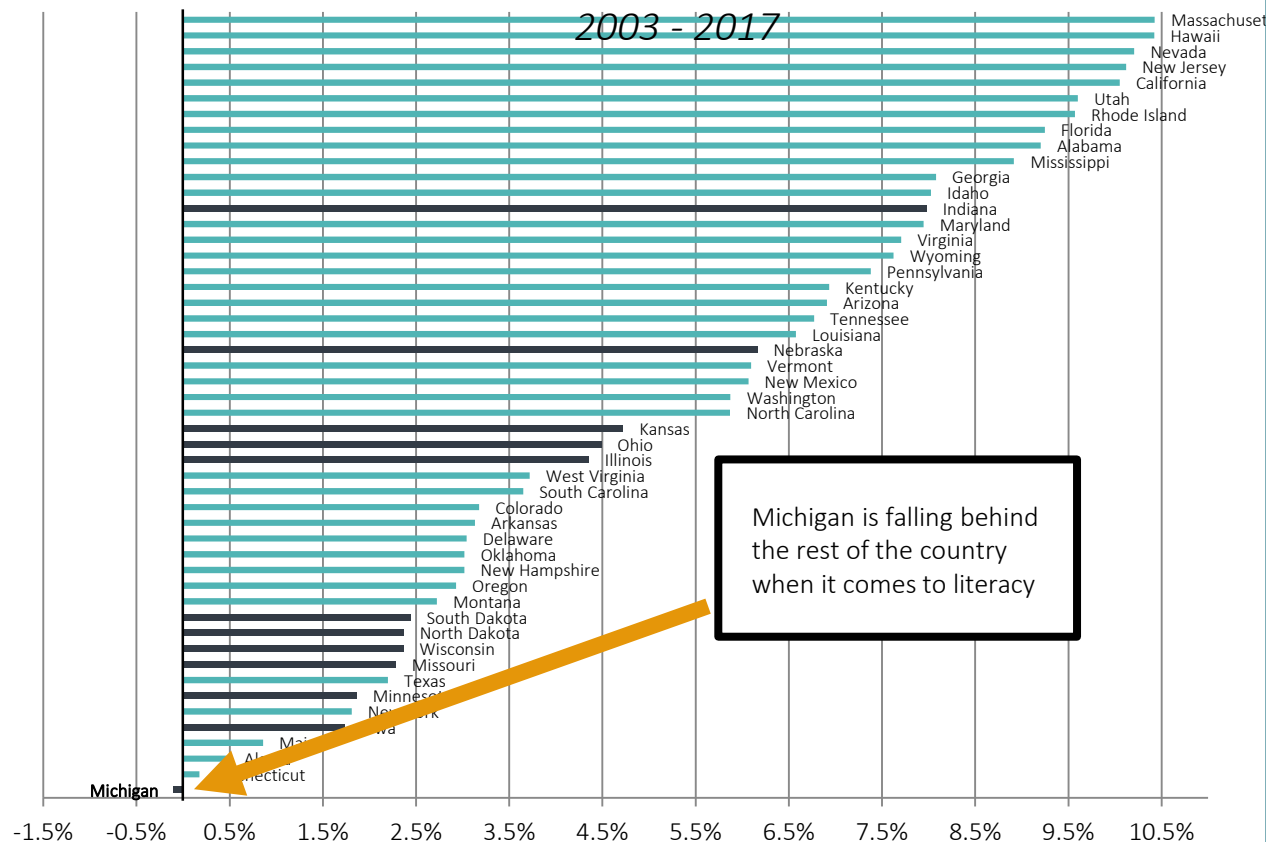
CURRENT SHELL GAME



4th Grade Reading Proficiency Change

National Assessment of Educational Progress (NAEP)

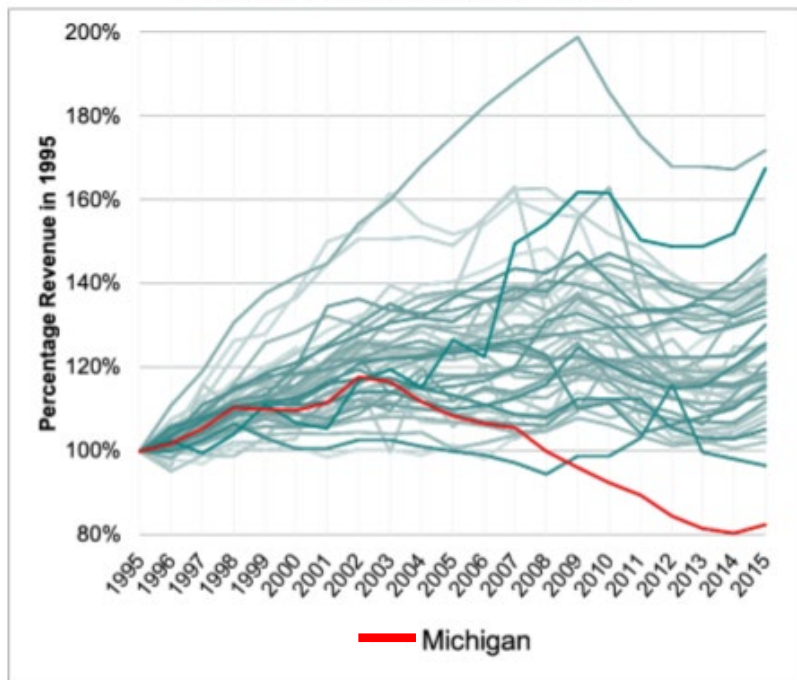
Percent Proficient Improvement



**MICHIGAN
KIDS ARE
FALLING
BEHIND**

EDUCATION: MICHIGAN AT A CROSSROADS

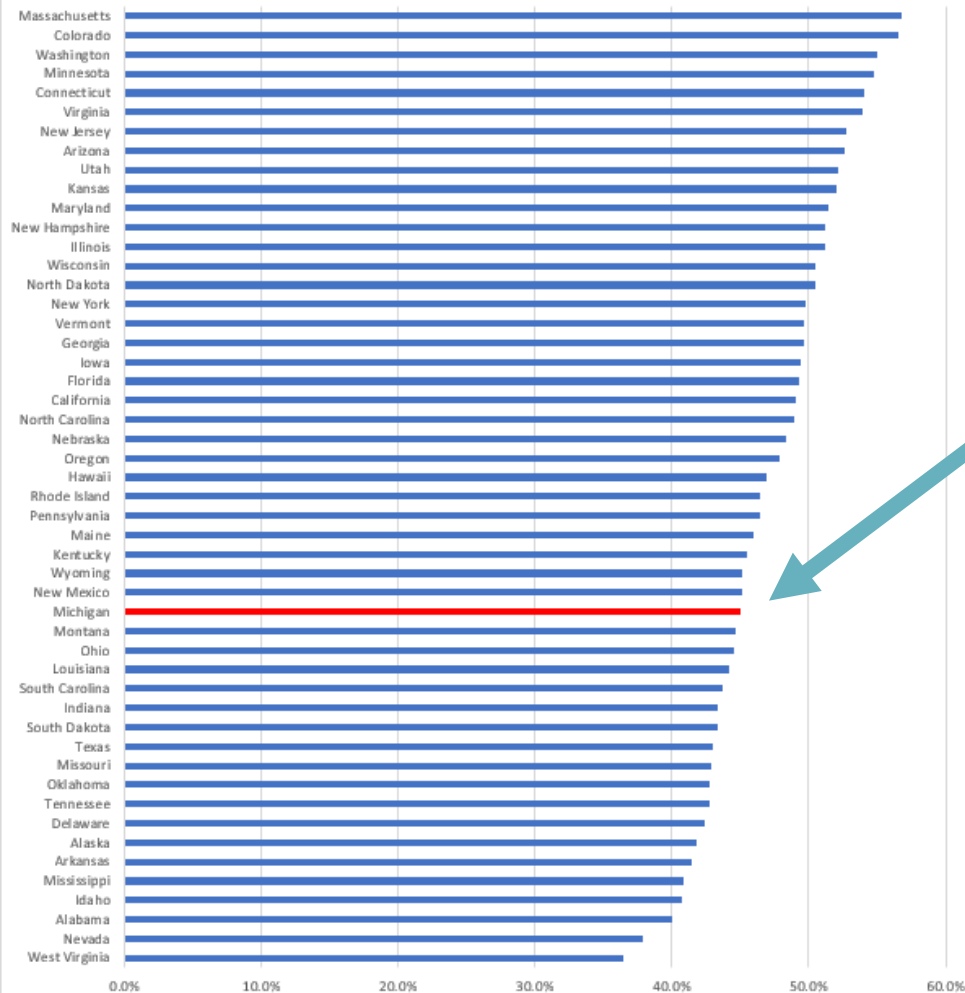
Figure 6. Inflation Adjusted Total K-12 Education Revenue as Percentage of 1995 Revenue, 50 States



Source: National Center for Education Statistics, F-33 Common Core of Data.

Out of the 50 states, Michigan was *dead last* in revenue growth in education funding between 1995 and 2015.

2017 Educational Attainment by State



Michigan is in the bottom 20 in the country when it comes to post-secondary attainment.

**ONLY 45% OF
ADULTS HAVE
COMPLETED
SOME FORM OF
POSTSECONDARY
EDUCATION**

BY THE NUMBERS



5 million adults
age 25-64



1.6 million with a
Bachelor's or Graduate
degree



500,000 with Associate
degrees



200,000 with a skills
training certification

OUR 2030 GOAL

Add 700,000 degrees or certificates over the
next decade to achieve



60 percent



postsecondary attainment among Michigan
adults

CLOSING THE SKILLS GAP



MICHIGAN RECONNECT

Ensures adults have
a tuition-free
pathway to a
certificate or
associate degree.



MI OPPORTUNITY INITIATIVE

Ensures universal access
to community college for
kids across the state

-AND-

Make a four-year degree
more affordable for low-
and middle-income
students who gets a B
average in high school.



3 PERCENT

Funding increase for colleges
and universities

MY PLAN

SENATE PLAN

DIFFERENCE

HOLLAND CITY
SCHOOL
DISTRICT

\$1,151,280

\$743,787

-\$407,493

GRAND RAPIDS
PUBLIC
SCHOOLS

\$6,112,619

\$3,439,924

-\$2,672,695

KALAMAZOO
PUBLIC
SCHOOLS

\$4,481,254

\$3,143,342

-\$1,337,912

FUNDING FOR COLLEGES AND UNIVERSITIES

GOVERNOR'S
BUDGET
PROPOSAL

\$53.4 MILLION



SENATE
REPUBLICAN
BUDGET
PROPOSAL

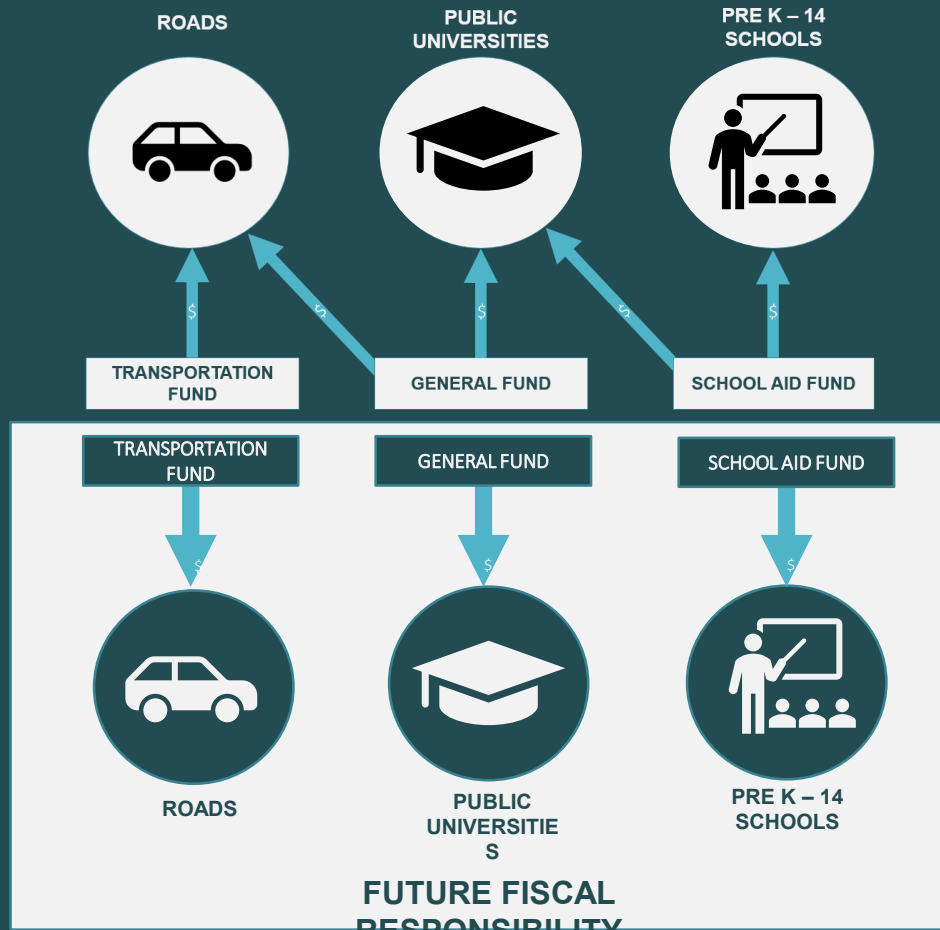
\$26.7 MILLION



\$26.7 MILLION DIFFERENCE



CURRENT SHELL GAME



LONG-TERM BALANCE

- Returns funding to intended purposes:
 - Roads are funded by constitutionally dedicated restricted funds.
 - Public universities funded 100% by General Fund.
 - \$507m School Aid Fund returned to K-12 schools for needed investments.



THE COST OF INACTION

Year Additional Funding Begins	Projected Percent of Trunkline Roads in Good/Fair Condition at Year Additional Funding Begins	Estimated Gas Tax Increase Needed to Fund Strategy That Meets Condition Goals
2020 (FMR Plan)	72%	\$0.45
2021	69%	\$0.46
2022	64%	\$0.49
2023	58%	\$0.50
2024	56%	\$0.53
2025	53%	\$0.55
2026	50%	\$0.57

OPTIONS TO GENERATE \$2.5 BILLION ANNUALLY

Tax Change	Current Rate Required	Rate Required to Generate \$2.5 Billion
Individual Income Tax Rate	4.25%	5.3%
Corporate Income Tax Rate	6%	19.5%
Sales and Use Tax Rate	6%	7.4%

WHY NOT POT FOR POTHOLES?

TO RAISE \$2.5 BILLION TO FIX MICHIGAN'S ROADS,



WE'D NEED AN AVERAGE OF \$2,500 IN MARIJUANA SALES

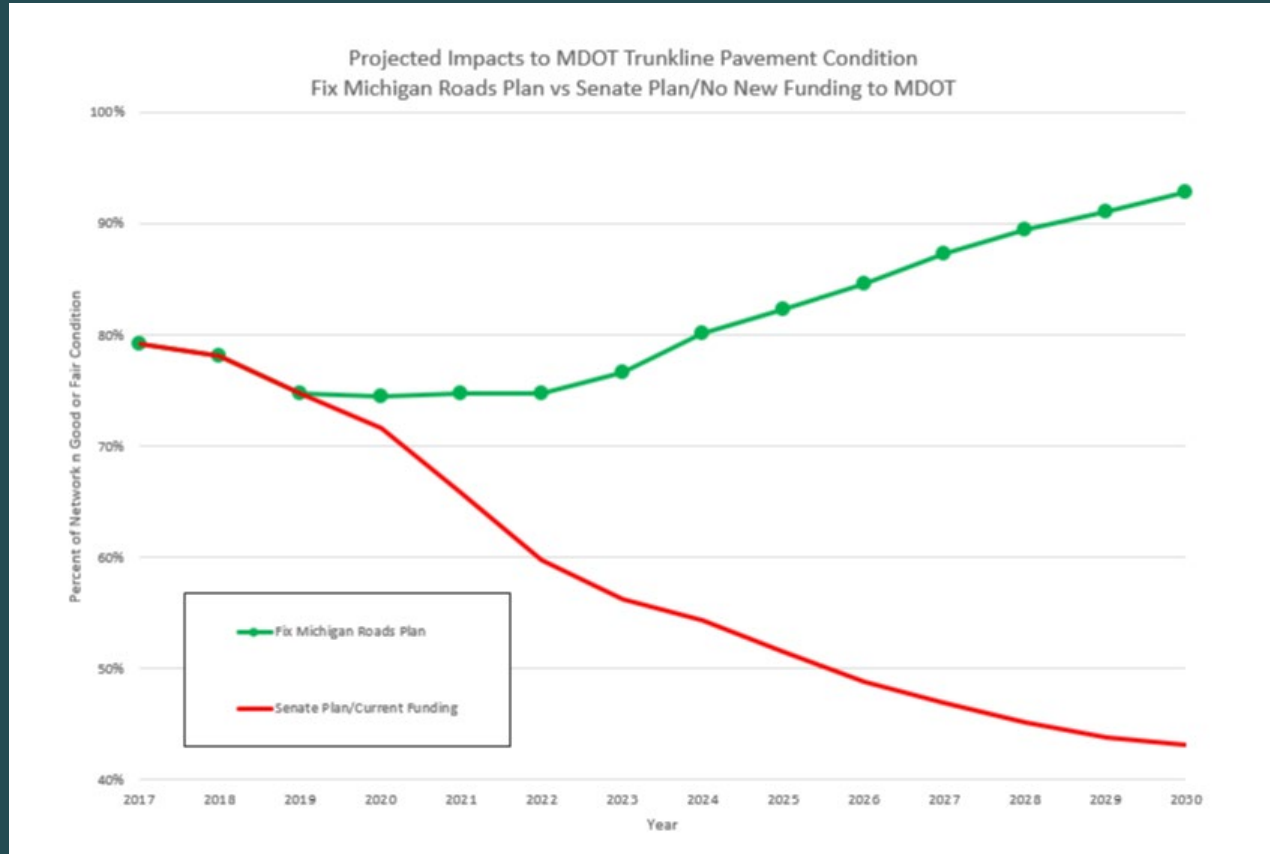


FOR EVERY MAN, WOMAN, AND CHILD



IN THE STATE OF MICHIGAN.

FIXING MI ROADS PLAN VS. SENATE REPUBLICAN PLAN



Senate Republican Budget Proposal vs. Governor's Proposal



Roads and
Infrastructure

Senate: \$132 Million GF

Governor: \$2.5 Billion Ongoing Revenue



School
Investment

Senate: \$395.6 Million

Governor: \$526.7 Million



School
Hydration
Stations

Senate: \$0 Investment

Governor: \$61.5 Million



Colleges and
Universities

Senate: \$26.7 Million

Governor: \$53.4 Million



Support
for Local
Communities

Senate: \$0 Investment

Governor: \$13.8 Million



Workforce Development



Education
& Skills



Child Care



Transportation



Returning
Citizens



Greater Education and Skills Needed

West Michigan Adults

10% Less than high school (124K)

30% High school diploma (365K)

The Solution

- ✓ More work-based literacy training
- ✓ Scale evidence-based adult education
- ✓ Continue the GoingPRO Talent Fund
- ✓ Support MI Opportunity and Reconnect



Access and Affordable Childcare

Crisis for Providers

78% have no slots for infants and toddlers

68% don't keep a waiting list

Lack of childcare workforce is acute

"Hard to serve the families and the regulations at the same time." – Child care provider

The Solution

- ✓ Increase provider reimbursement rate
- ✓ Investment in training
- ✓ Increase eligibility threshold for families
- ✓ Streamline the regulatory framework



Filling the Transportation Gap

Wheels to Work

49%

of riders say they are able to stay employed because of the program

15 employees
per participating employer

6 months
to self-fund routes

The Solution

- ✓ Promote program within existing areas
- ✓ Scale-up in Ottawa, Muskegon, Barry, Allegan, and Newaygo Counties

Capital start-up costs needed

Urban – \$100,000

Rural – \$150,000



Returning Home

1 in 3
have a criminal record

1,400
released annually to
West Michigan

500+
West Michigan
employers hire
returning citizens

The Solution

- Success requires employment, housing, social supports
- Lack of a State ID is a 20 year problem
- Increase the number of employers hiring
 - Three-part webinar series: June, July, and August
 - Partner with Chambers



K-12 Education Career Readiness

Jon DeWys
CEO, DeWys Manufacturing



K-12 Career Readiness

West Michigan Schools

10 ISDs

87 School districts

105 High Schools

27 combined Middle Schools & High Schools

80,603 students (9th-12th)

19%

of 9th graders drop out

34.6%

of graduates are “college ready”

57%

enroll in post-secondary education
within 6 months

Not many students can say 'I built a house' in high school'

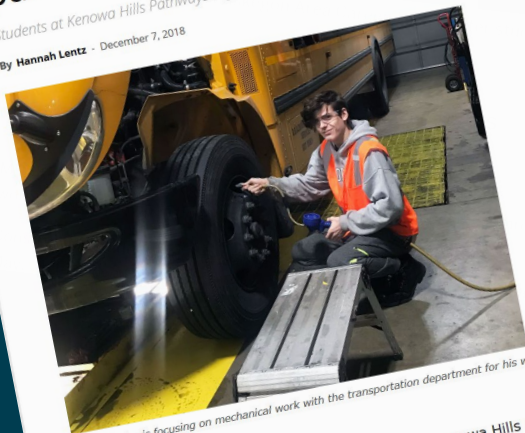
Posted Jun 2, 2018



Learning on the job provides students pathways to the future

Students at Kenowa Hills Pathways High School begin career-related internships

By Hannah Lentz December 7, 2018



Lucas Rector is focusing on mechanical work with the transportation department for his work internship this semester

Like 56 Share

For Connor Bowen, as for many other students at Kenowa Hills Pathways High School, learning her school credit.

opportunity to participate in the di

WYOMING

'A push in the right direction'

Kelloggsville students ink skilled-trades job offers

Brian McVicar bmcvicar@mlive.com

National Signing Day is a celebratory affair for high school athletes. Seated alongside coaches and family, students sign letters committing to play their sport of choice for a particular college or university.

On Monday, Kelloggsville High School put a new twist on the idea. Students who participated in the district's school-to-work program gathered onstage at the high school auditorium and signed job offers with four manufacturing and construction companies. Teachers and staff clapped as each job offer was inked, and several students donned hats bearing the name of their new employer.

"It's a fresh start and a push in the right direction," said Koy Flores, who signed an offer for a full-time position at Lumbermen's, a Wyoming-based company that fabricates and installs countertops.

In addition to Lumbermen's, students were offered jobs at Advanced Interiors in Jensen, Lacks Enterprises in Cascade Township and Mark-Maker Co. in Wyoming.

This is the first year Kelloggsville, a district with 2,400 students whose boundaries stretch into Kentwood and Wyoming, has hosted a signing day ceremony for the program.

John Linker, who oversees the program, said the idea was to raise awareness of opportunities in the job market for students who are interested in the skilled trades and don't want to go to college.

"We really want to emphasize other career opportunities where you might not have to go to college right away," he said.

Under the program, which counts for three elective credits, students spend half their day in school and the rest of their time working for a participating local employer. Students earn an hourly wage between \$11 and \$12, Linker said.

This year, 24 seniors participated in the program. Ten students have signed job offers with the participating companies. Linker said full-time job offers also may be extended to three other students.

Kelloggsville offer from a who partially program, has MLive.com

offers with local students have been the job offers.

"I had one kid tie bit," he said. "was real."

Chuck Bobel, Mark-Maker, which makes steel rule dies, said hires opportunities their career.

"There's going to be the future as we can "It's not that they're g



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Economic Development and Human Resources
Career fair draws 10,000 students downtown

April 26, 2019 | By Rachel Watson |



Photo via fb.com

Employers recently provided a look at future career paths for roughly 10,000 students at an event downtown.

McCareerQuest 2019, hosted by West Michigan Works! for the fifth year, took place on Wednesday at DeVos Place in Grand Rapids.

Students from 85 middle and high schools throughout Allegan, Barry, Ionia, and Ottawa counties attended the event, participating in interactive exhibits and conversations with 95 area employers.

"We are fortunate to have a dedicated group of staff, employers, community colleges and school districts in West Michigan who have worked tirelessly to create this year's event," said Jacob Maas, CEO, West Michigan Works!.

"Together with hundreds of volunteers, they have created a fun and engaging environment for students to learn about the amazing career opportunities in their own backyard. We're thankful to our event partners and sponsors for their incredible commitment. They have been instrumental in making students aware of all the possibilities that exist for careers in West Michigan's high-demand industries."



Gallery: Scenes from Ottawa Hills High School

2 f t e 157 shares

ett2@mlive.com

Schools has 19 partners and planned

WE GROW MICHIGAN LIKE NO OTHER BUSINESS! MICHIGAN ECONOMIC DEVELOPMENT HUMAN RESOURCES PURE PATH FORWARD HERE TO HELP

RELATED ART

Career fair draws 9 students downtown

Downtown hosts career fairs

Nonprofit producing T Green career fair

RELATED EVENTS

U-M reception for entrepreneurs, innovators, founders, and alumni

Webinar on Problems with



K-12 Career Readiness



ARCONIC

GENTEX
CORPORATION

HAWORTH®



 **Herman Miller**



Amway



 **MERCY HEALTH**



SPECTRUM HEALTH



WV
WOLVERINE
worldwide

Steelcase®



 **ADAC**
AUTOMOTIVE

autocam
medical

DEWYS
Manufacturing



Examples include:

- Job shadowing
- Curriculum development
- Guest speaking
- Alternative spring breaks
- Teacher professional development
- CTE Advisory boards
- Internships
- Teacher externships
- MICareerQuest
- Industry tours
- And many more!



K-12 Career Readiness

1. Expand CTE programming
2. Increase work based learning opportunities
3. Increase professional development in career readiness
4. Collaborate with the postsecondary working group for the expansion of dual enrollment & early middle college
5. Encourage more employers to partner with schools to:
 - Increase relevance and engagement of teaching and learning
 - Increase visibility of in-demand careers, career exploration and planning



K-12 Education Early Literacy

Leslie Brown
Chairman, Metal Flow



K-12 Early Literacy

45.3% of 3rd graders are proficient/advanced on M-STEP for ELA

All **97** superintendents have committed to addressing the "literacy crisis"

The Solution

- Utilize evidence-based instructional practices in all schools.
- Align the literacy instruction among teacher preparation programs to evidence-based practices.
- Incentivize high-quality teachers and principals to work in schools with many at-risk students



Early Literacy

1. Next steps letter from CEOs to superintendents:
 - ✓ Applaud those districts scaling the essential practices
 - ✓ Encourage the districts who have not
2. Engage education schools to make the shift to essential literacy practices as quickly as possible
3. Develop incentive-based retention strategies to retain highly effective educators in high-poverty districts



K-12 Education Funding

John Kennedy

President & CEO, Autocam Medical



Reason for Action

Funding “Studies”

Michigan Department
of Education (2016)

School Finance Research
Collaborative (2017)

Michigan State
University (2018)

Business Leaders
for Michigan (2019)

Governor Whitmer Budget

More \$\$\$ for at-risk and special needs students; GSRP, CTE, Early Literacy

Fixing the problem is more than funding

Requires evidence-based
practices

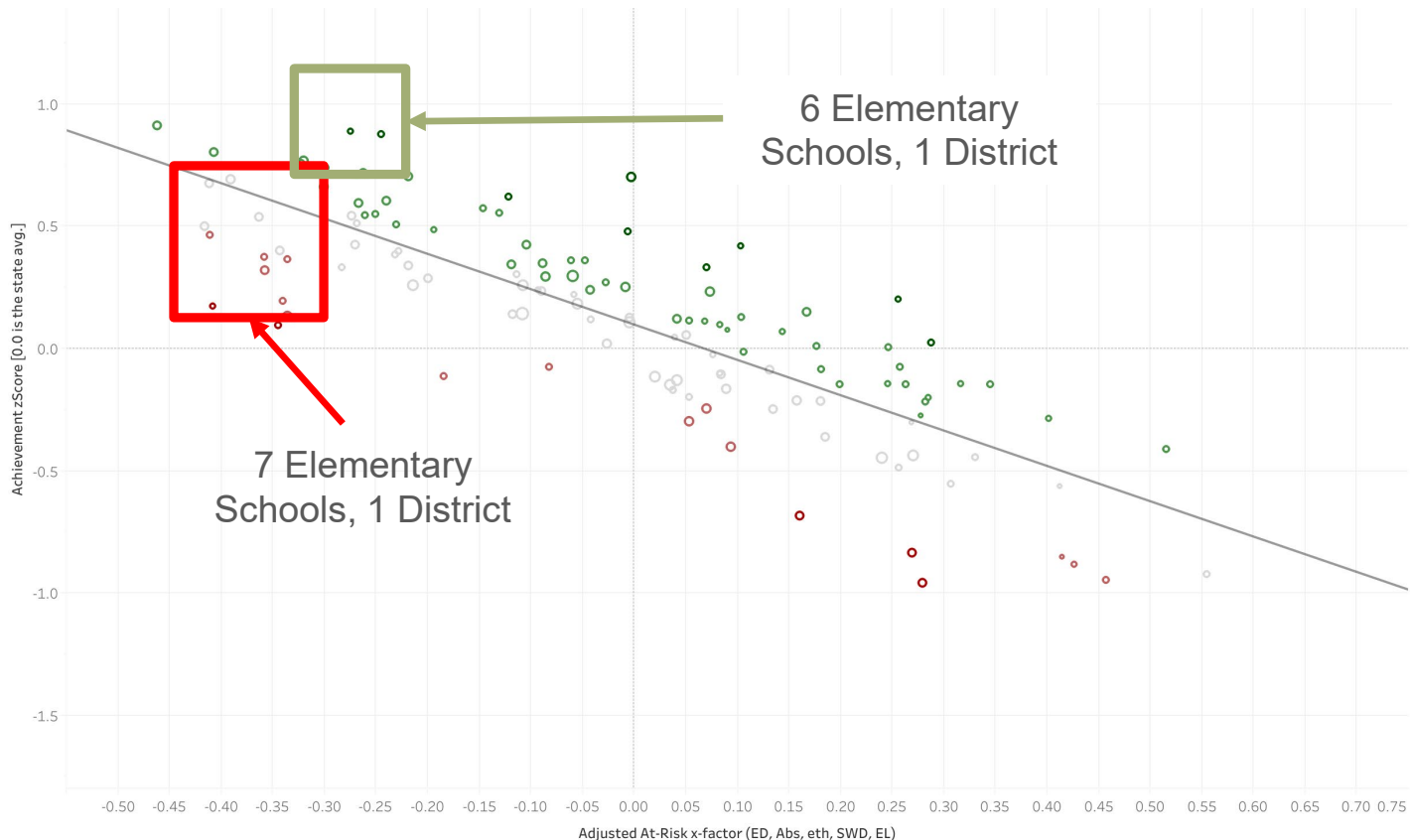
At-risk students need highly effective
teachers and principals

Maximize dollars to the
classroom



Instructional Quality & Risk Factors Impact Performance

2018 ELA z-score (M-STEP) vs Adjusted At-Risk Factor



Each dot represents one school, the larger the dot the more students were tested. The schools are plotted on the graph by an Adjusted At-Risk Factor and the standardized achievement score (z-score). A line of 'best fit' is drawn based on all schools in the state with data for grade span 3rd - 8th grade. The right columns allows users to filter by Region, ISD, District or School Building. Or simply hover over any dot to see additional information.



Factors in K-12 Funding

Impact of
Proposal A (1994)

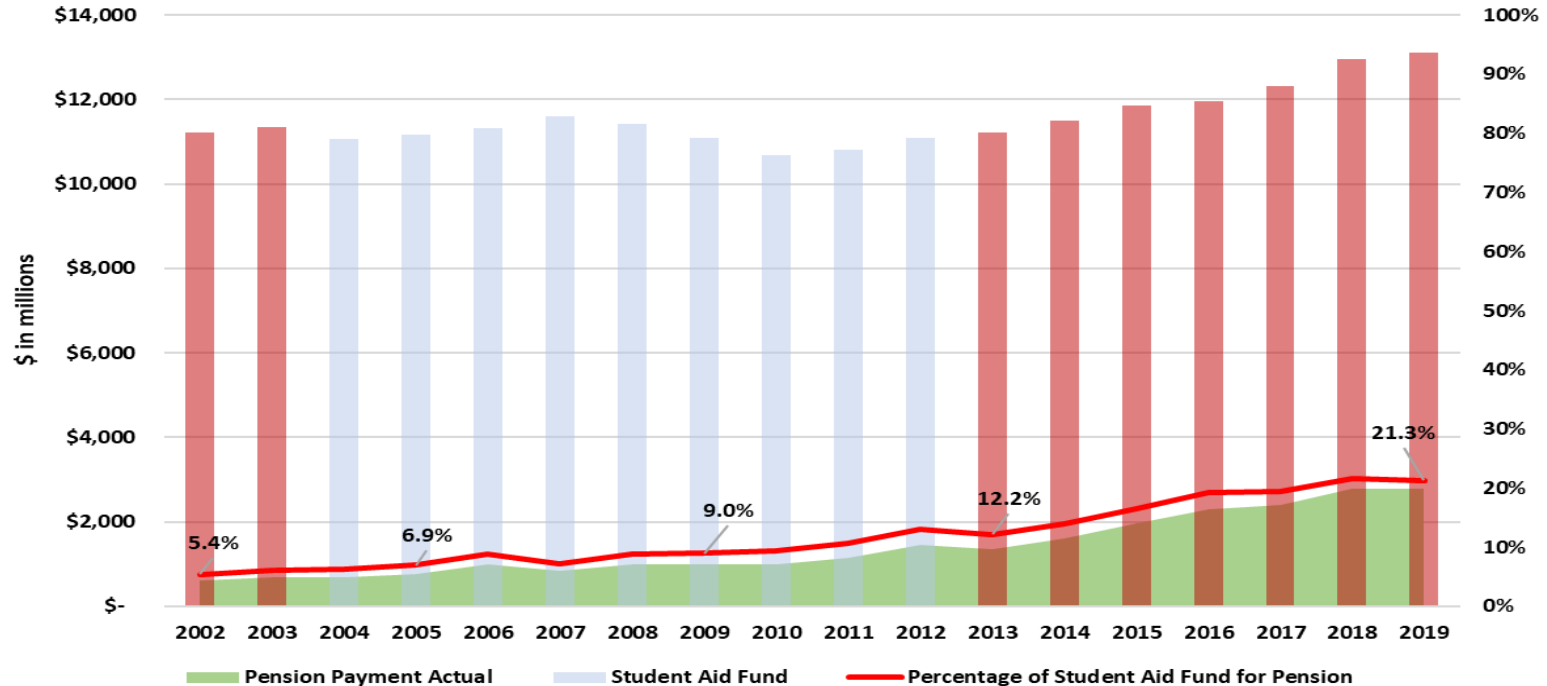
Capital/local
millage support

Retirement reform

Declining enrollment
statewide; growth in
suburbs, decline in
urban and rural

Variation in state
foundation
allowance

Student Aid and Pension Contribution



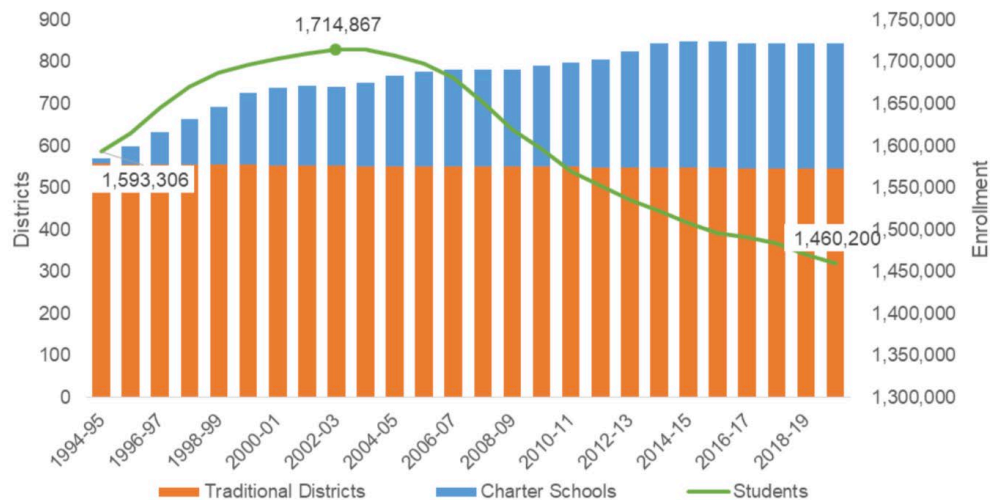
By underfunding the ARC by \$1.1B from 2004 to 2012, taking into account the historical compound return plan assets, that decision cost the State of Michigan more than \$8.7B over the next 30 years that could have been used in schools.



Student Enrollment

Declining student enrollment since 2003

Michigan School Districts and Student Enrollment

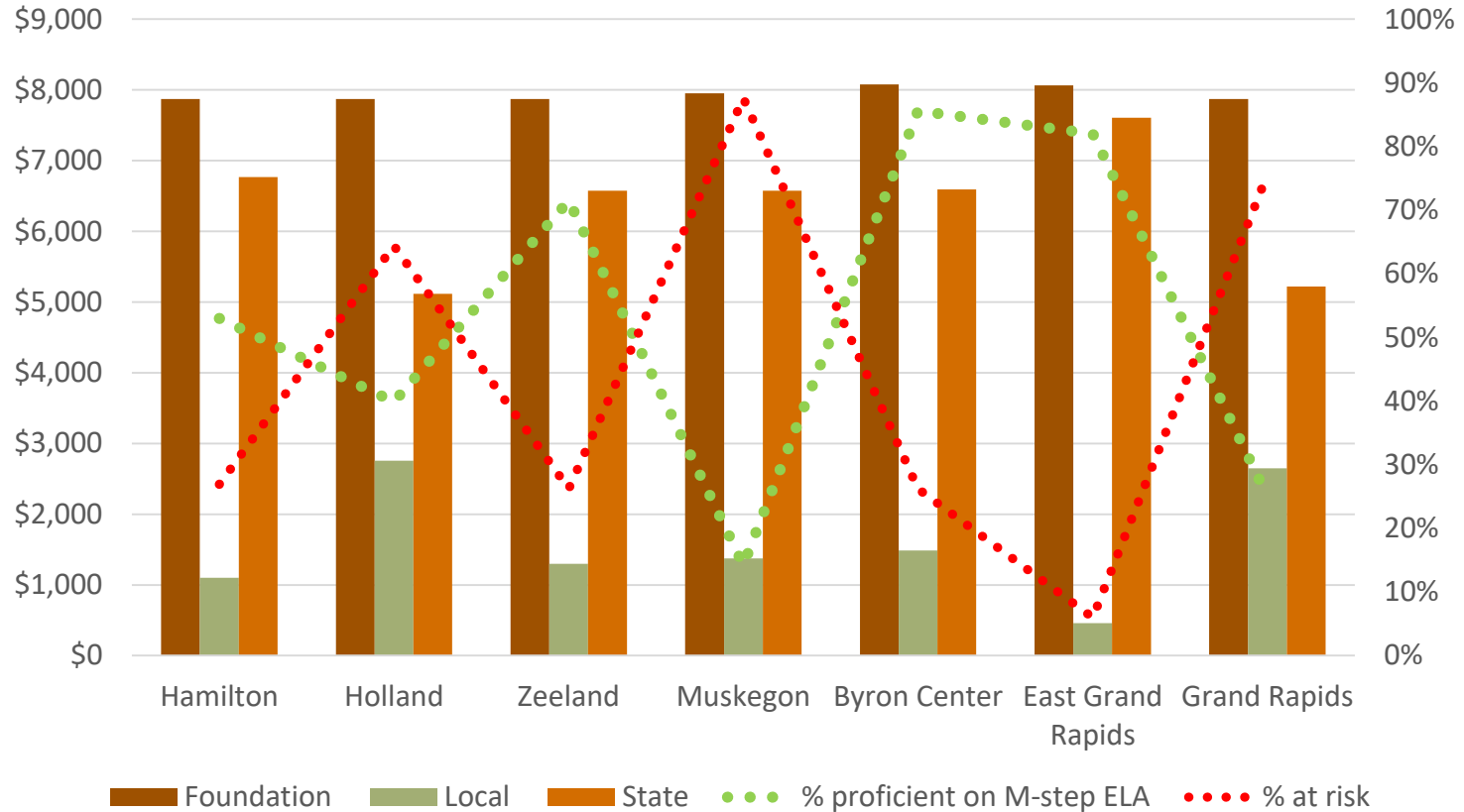


Source: Michigan Department of Education

Note: Excludes 56 Intermediate School Districts



Foundation Allowance





Recommendations

Increase

- Increase equity by increasing the foundation allowance for urban and rural districts.

Incentivize

- Incentivize high-quality teachers and principals to work in schools with more at-risk students.

Require

- Require the use of evidence-based strategies with outcome based results.



Shifting to Action

Literacy

Scale RNN practices
Incentivize Educators
Replicate Holland
partnership

Careers

Greater employer
investment in career
exploration
Educators in the
workplace

Funding

At-risk students
Equity for districts
Maximize \$\$\$
Cost-function
analysis



Closing Comments

Sean Welsh

Regional President, PNC Bank