

REPORT TO THE CONSORTIUM CITIES

Cupertino • Los Altos • Milpitas • Mountain View • Palo Alto • Santa Clara • Sunnyvale

The *Report to the Consortium Cities* is a compilation of local workforce, economic development, and education-related news and resources, and other information relevant to the NOVA consortium cities.

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Kris Stadelman, NOVA Director

GREETINGS FROM THE DIRECTOR

Click here to view the video:

www.youtube.com/user/NOVASiliconValley

BUILDING NEW RELATIONSHIPS WITH CITIES

In 2010, the NOVA Workforce Board will be exploring new opportunities to enhance NOVA's relationship with our important partners and customers – the seven consortium cities. We will pursue this in several ways with the goal to add value to what NOVA contributes to the cities in the quality of services we provide to city residents and businesses and in the new initiatives and partnerships that will benefit your communities.

As a first step, NOVA Board members, whose companies and organizations do business in a particular city, have volunteered to be a liaison to that city:

- Mary Schuppert, Principal HR Business Partner of Symantec, for the City of Cupertino
- Jim Hill, CEO of Proofpoint Systems, for the City of Los Altos
- Van Dang, Vice President and Deputy General Counsel of Cisco Systems, for the City of Milpitas
- Christopher Galy, Director of Talent Delivery of Intuit, for the City of Mountain View

- John Rehm, Senior Project Lead of IDEO, for the City of Palo Alto
- Steve Van Dorn, President and General Manager of Santa Clara Chamber and Convention Center, for the City of Santa Clara
- Michael Marlaire, Director of NASA Ames Research Park, for the City of Sunnyvale

One of the first activities for the liaisons will be to join the NOVA Director in attending a city council meeting, in the coming months, to present a poster of the NOVA 25th Anniversary Retrospective that can be displayed in city hall. NOVA has already received an invitation to present at an upcoming Mountain View City Council meeting.

The NOVA Director has begun meeting with the cities about workforce development opportunities, potential new sector-driven initiatives funded through the federal economic stimulus package and other ways NOVA may support the cities' goals and priorities. In January, the Director

met with Mountain View City Manager Kevin Duggan, Economic Development Manager Ellis Berns, Business Development Specialist Tiffany Chew and the Mountain View Chamber of Commerce CEO Oscar Garcia. A meeting is currently being scheduled with the Milpitas Economic Development Manager Diana Barnhart and the Economic Development Commission, as a follow-up to a workforce-related subgroup meeting.

In the coming year, NOVA will also be exploring new ways to improve access to NOVA services for city residents and businesses that may include adding a NOVA website link to the cities' websites and providing city libraries with NOVA brochures, materials and other resources about job seeker and business assistance. Many of the cities have already added NOVA to their websites. We hope to build upon this effort with all of the consortium cities.

VOICE OF THE CUSTOMER



NOVA WORKFORCE BOARD PLANS FOR THE FUTURE AND EMERGING POSSIBILITIES



In December, the NOVA Workforce Board elected officers for 2010 that will provide leadership to the Board in shaping and influencing the Silicon Valley workforce investment system to promote economic opportunity and shared prosperity. Board officers include: Co-Chairpersons Van Dang, Vice President and Deputy General Counsel of Cisco Systems and Mary Schuppert, Principal HR Business Partner of Symantec and Vice Chairpersons Poncho Guevara, Executive Director of Sacred Heart Community Service and Steve Van Dorn, President and General Manager of Santa Clara Chamber and Convention Center.

On February 9, the Sunnyvale City Council confirmed four new Board members to the NOVA Workforce Board

who will bring to the Board a wealth of knowledge, expertise and leadership critical to the Board's work in meeting the diverse needs of our customers in this evolving and demand-driven Silicon Valley economy. New Board members include: Mr. Nicholas de Lorenzo, Director of the National Council on Aging; Ms. Jacque Hansen, Deputy Executive Director of the Housing Authority of the County of Santa Clara; Ms. Donna Hezel, Rehabilitation Supervisor of the California Department of Rehabilitation; and Mr. Neil Struthers, CEO of the Santa Clara and San Benito Counties Building & Construction Trades Council.

On January 27, the NOVA Board held its annual strategic planning retreat. This year the Board was selected by the National Association of Workforce Boards to pilot a new facilitation process called Theory U that will be beneficial to workforce boards across the country in their deliberation on the complex issues and solutions they face. This process was developed by Dr. Otto Scharmer from MIT and attached you will find a YouTube video describing the process www.youtube.com/watch?v=k8HKxvKVUsU. The planning process for Theory U began at the Board retreat and will continue over the course of the year; updates on the Board's progress with identifying priorities will be provided in future consortium cities newsletters.

EMPLOYMENT PICTURE: RECOVERY SLOW AND MOSTLY JOBLESS

The U.S. Department of Labor released unemployment figures for January and, as usual, the report was mixed. Although the national unemployment rate was 9.7% down from 10% in December, an estimated 14.8 million

are out of work and the country lost 20,000 net jobs, adding to the estimated 8.4 million jobs that have disappeared since the recession began. To put this in perspective, this job loss is four times the net job loss experienced during the last significant recession in the 1980s. Attached is the February 6, 2010 *San Jose Mercury News* article, "U.S. jobless rate drops to 9.7% in January" www.mercurynews.com/search/ci_14340809. The latest data underscores the growing opinion that in this recession, economic recovery may not result in job creation. For those who have lost their jobs, it's taking up to a year, in some cases, to find another. Some recent figures have estimated that there are up to 6.9 million nationwide that are "long-term unemployed" and have been out of work for more than 6 months. This has long-term consequences to the future



self-sufficiency and wellbeing of these individuals and further highlights the importance of extensions to unemployment insurance benefits.

According to the latest report available from the California Employment Development Department, the unemployment rate for December remained unchanged at 12.4% for the state and declined to 11.5% for Silicon Valley from 11.9% the previous month that can be attributed to fewer people actively looking for work, rather than fewer people unemployed. Many predict that since the Silicon Valley was impacted by the economic downturn later than the rest of the country, it may not recover for quite some time. Many companies are undergoing changes, both structurally and in the products that are offered, with the goal of returning to profitability, sooner rather than later, before they start adding jobs. Despite the latest trends, there are some positive upticks in hiring from the technology sector and some predict that we may see more definitive signs of recovery

by the end of this year.

Locally, NOVA recently released two labor market/economic reports. In December, NOVA released its *Report to the Consortium Cities*, an annual trends report for each of NOVA's seven consortium cities. The reports include fiscal year 2008-09 data on NOVA's services to residents and businesses in each of the cities, along with a snapshot of the labor market and city demographics. The reports were emailed to each consortium city's mayor, city council members, city manager, economic development manager and chamber of commerce and are intended to provide important employment trends information to the cities for planning purposes. You can locate the reports for each of the seven cities by going online at www.novaworks.org/lmi/r2c.html. In January NOVA released a special edition of the *Workforce Review*, the 2009 retrospective issue that contains five-year trends of employment data and comparisons between NOVA's service area and Santa Clara County, California and the United States, www.novaworks.org/lmi/#news_wi.

LEGISLATIVE UPDATES

On December 3, the White House hosted a *Jobs and Economic Growth Forum* to focus on accelerating job creation, which came on the heels of an employment report that showed double-digit unemployment and widespread job loss. Moderated by Labor Secretary Hilda Solis, this forum was an opportunity for the President to hear from workforce/business representatives about ideas for jump-starting the economy (www.whitehouse.gov/issues/economy/jobsforum/). As a follow-up to this event and at the invitation of U.S. Department of Labor, NOVA hosted a "virtual" community forum and distributed a brief online survey to a targeted audience of local elected officials, nonprofit and business representatives and other community leaders to get a more complete and realistic picture of the workforce situation here in Silicon Valley. The feedback was collected and forwarded to the White House for their ongoing assessment of the jobs situation at the national level. A copy of the report is available at www.novaworks.org/nova/CommunityJobsForum.htm. Special thanks to those cities who participated in the survey!



On February 1, President Obama released a \$3.8 trillion budget that contains \$100 billion for a jobs bill that includes a combination of tax cuts to small businesses for new hires, support for safety-net programs and funding to state and local governments. For the U.S. Department of Labor, the budget includes a modest increase in Workforce Investment Act formula funding with 5%, a total of \$261 million, going to two new Workforce Innovation Funds for adults (\$107 million) and youth (\$153 million). These new innovation funds, a partnership between the Departments of Labor and Education, would support better coordination and innovation in delivering services to disadvantaged workers. The Administration also calls for the reauthorization of the Workforce Investment Act and reforms in streamlining service delivery, accountability and partnering with employers on regional sectoral initiatives. Finally, the budget contains a request to reauthorize the

Trade Adjustment Assistance Act (TAA) to further support workers displaced by off-shoring and additional training funds for green and healthcare careers.

In December, on the heels of the President's Jobs Forum, the House passed the Jobs for Main Street Act of 2009. As with ARRA, this bill would provide supplemental support through existing programs. The Jobs Act includes a total of \$154 billion in spending: \$75 billion for infrastructure projects (bridges, roads, etc.) and support for state and local governments to prevent any further layoffs, \$1.25 billion for job training, and a six-month extension of Unemployment Insurance and COBRA subsidies, a continuation of the five-month extension that was passed by Congress in the fall. Funding for this bill would come from the remaining unspent Troubled Asset Relief Program (TARP) funding. The Senate's version of the jobs bill will not be based on the House version and is expected to take a very different approach in light of concerns with the growing deficit and the Administration's proposed budget. Initially the Senate was expected to introduce a series of jobs bills totaling about \$85 billion that would include a three-month extension to unemployment insurance and COBRA, tax credits for businesses that hire unemployed workers, an extension to several tax cuts/research and development credit, and \$500 million for on-the-job training. The Senate has now passed a \$15 billion scaled-down version that includes a combination of tax credits and support for local infrastructure projects. The challenge ahead will be reconciling the House and Senate versions and garnering bipartisan support.

In January, the Governor gave his "State of the State" address and attached is a link to his speech and proposals, gov.ca.gov/press-release/14124/. One of the proposals is the *California Jobs Initiative*. The Governor is proposing to provide increased resources (funded by a loan from the Unemployment Compensation Disability Fund) to the state Employment Training Panel (ETP) that will be used by employers to

retrain existing employees for different jobs and unemployed workers for new jobs. This proposal also calls for the ETP to work with the local community colleges and workforce development community to deliver needed training. Over the years the ETP has had difficulties in the process that employers must go through to access training funds and in effectively meeting the evolving training needs for demand-driven sectors in our community and the economy. As such, as part of this initiative, we would want to ensure that there would be a strong link between ETP, the community colleges and the local workforce community and that the system explores ways to improve its effectiveness.

The NOVA Director was invited to speak at a community breakfast in January that was sponsored by Assemblymember Jim Beall. The Director joined the San Jose work2future's Director, Jeff Ruster in discussing the local economic trends and the employment services that are provided to the community. Assemblymember Beall has expressed an interest in visiting NOVA in the future to discuss ways we can work together to get people back to work.

NOVA HOSTS VOLUNTEER FAIR

NOVA will be hosting a Volunteer Resource Fair on April 19, 2010 from 1:00 to 4:00 p.m. in the Sunnyvale Public Library Program Room. This event will provide the vehicle for linking interested NOVA job seekers with volunteer opportunities in the consortium city governments and nonprofit organizations, with the goal of benefiting both job seekers and the community.



For more information and if you are interested in being an exhibitor and hosting a table, contact NOVA staff person Jennifer Cheyer by phone at (408) 774-5404 or e-mail at jcheyer@novaworks.org.

NOVA IN THE NEWS

In recent months, and with the community's understandable concern with the economy and the employment picture, NOVA continues to be frequently featured in the media:



- In the December 20 edition of the *San Jose Mercury News*, the article, "Silicon Valley leaders offer holiday wish list," featured interviews with several Silicon Valley leaders about their wishes for the New Year. NOVA Workforce Board members, Steve Levy of Center of Continuing Study of the California Economy and Connie Martinez of 1stACT Silicon Valley were among those interviewed, www.mercurynews.com/search/ci_14029206?ADID.
- In the February 4 ABC newscast the feature, "Cisco to hire new employees in the coming months," highlighted signs of recovery in Silicon Valley, despite the continued unemployment and job loss. The feature interviewed NOVA job seekers. abclocal.go.com/kgo/story?section=news/business&id=7257957.
- NOVA was mentioned in the November 19 edition of the *Sunnyvale Sun*, "Sunnyvale's unemployment rate nearly doubles compared to last year's," www.nowaworks.org/about_nova/nova_news_articles/nova_news_20091119a.html.
- In the November 26 ABC newscast, the feature, "Gov't job retraining programs are helping unemployed find work" focused on jobs in the growing biotech and healthcare industries. The feature mentioned NOVA and included an interview with a NOVA career advisor, abclocal.go.com/kgo/video?id=7140227.

REPORTS & RESOURCES



Joint Venture: Silicon Valley Network and the Silicon Valley Community Foundation, at the February 12 State of the Valley Conference, released the 2010 edition of the *Index of Silicon Valley*, www.jointventure.org.

The statewide EDGE Campaign (www.californiaedgcampaign.org/) just released a new report, *California's Forgotten Middle-Skill Jobs* that is part of the skills2compete campaign, a national initiative launched by the National Skills Coalition (formerly The Workforce Alliance) with the inaugural report, *America's Forgotten Middle-Skill Jobs* (www.nationalskillscoalition.org/assets/reports-americasforgottenmiddleskilljobs_2007-11.pdf). The campaign and these reports highlight the importance of the growing middle-skill (and higher wage) occupations that require more than a high school education but less than a four-year college degree, specifically, about two years of continuing education and training, that will offer advancement opportunities for a valued workforce who would otherwise be destined for a lower wage, lower income standard of living. The forgotten middle-skill jobs is discussed in the November 15 edition of the *San Francisco Chronicle*, "Smart path to economic recovery — invest in skills," www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/11/15/IN221AI9PS.DTL.

In the October 20 edition of the *New York Times*, the piece, "The New Untouchables" (www.nytimes.com/2009/10/21/opinion/21friedman.html?_r=1), suggests that the decline in worker competitiveness was a contributing factor to the economic recession this country now finds itself in and that education will be critical to America's future global competitiveness and our recovery. It is not just education, but the "right" education that will foster entrepreneurship and thinking smarter in new and innovative ways. These newly educated workers will also be the new untouchables, immune to future layoffs.

NOVA AWARDED \$750,000 TO SERVE VETERANS



In December, NOVA was awarded a \$750,000 grant in Workforce Investment Act funding through the American Recovery and Reinvestment Act (ARRA) to continue to serve veterans, through June 2011, under the Veterans Employment-Related Assistance Program (VEAP). As in the past, the services will be offered through the Next Step Center, located on the campus of the Veterans Administration Medical Center in Menlo Park, and will target veterans with barriers to employment.

LINKEDIN COMES TO NOVA



LinkedIn (www.linkedin.com) is considered the standard for job seekers in today's competitive job market and provides exceptional online networking opportunities, broader access to prospective employment and the venue for marketing qualifications to those who know about openings and are in a position to hire. NOVA has just launched a LinkedIn group for job seeker customers as a new vehicle to promote online networking and information sharing. The Job Seeker Center is now offering introductory and advanced workshops for LinkedIn.

CONTACT US

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