



June 13, 2006

MEMORANDUM

To: Special Assistant for Operations and Outreach

From: Guam Department of Labor and Agency for Human Resources

Subject: Report – Comprehensive Integrated Master Plan on Increase in Military Presence

Attached herewith is a joint report from the Department of Labor and Agency for Human Resources Development. This report articulates the services provided, the level of capacity in which we are currently operating and areas of concern relative to the increase in military presence.

If you have any questions regarding this report please feel free to contact the agency planner, Vera Topasna at 475-7083.

Maria S. Connelley
Director, Department of Labor

Erica U. Perez
Acting Director, AHRD

Workforce Plan

JOINT WORKFORCE COLLABORATION:

**AGENCY FOR HUMAN RESOURCES
DEVELOPMENT**

&

THE GUAM DEPARTMENT OF LABOR

Location

**414 West Soledad Avenue, Suite 404
Hagatna, Guam 96923**

Contact

Erica U. Perez

Acting Director

&

Maria Connelley

Director of Labor

Voice: 475-7074

Fax: 1-671-475-7045

PREFACE

The Guam Department of Labor and Agency for Human Resources Development provides an array of services that assist, employees, employers and jobseekers. The Guam Workforce Investment system is the layer of federal programming that supports the power of E3 (Education, Employment & Economic Development) through training and education that prepares a skilled workforce for the island. For the past two years Guam has received 3.5 million in federal dollars to support workforce initiatives that align E3. This document reflects the collective work of Guam's Workforce Investment System as guided through the collaborative work efforts of the Agency for Human Resources Development and the Guam Department of Labor. This effort is defined under the approved plans of work guiding the application and use of the federal dollars supporting the Workforce Investment Act. The areas of work fall under the 10 goal areas defined under Guam's Workforce Investment Board approved plans of work. Undertaken nearly two years ago and representing a series of stakeholder input and needs assessments, this approach represents a shift from the traditional programming model of strategic planning enabling a more focused effort in budget and accountability reporting and integration of funding.

EXECUTIVE SUMMARY

In workforce planning circles the discussion centers on rapid preparation or better yet needing greater and faster adaptation, recruitment, improved quality training, innovative programs, integrating resources to meet the needs of a demand driven system. The latest workforce development alarm speaks to the effectiveness of Guam's workforce delivery and its collective ability to meet the specific jobs needs of the much-anticipated military expansion.

There are clearly opportunities to develop and present programs that meet the many needs of Guam's workforce. How this is done captures an appreciation for the way we define Guam's Human capital, simply stated, what are the employment opportunities for island residents? The effort of Guam's Workforce Investment Board (GWIB) positions the approved (10) strategic goals guiding workforce development on Guam and how we develop a quality workforce and access to the supply of employees with the basic employability skills employers want. This explains strategies consistent with the Federal Government workforce framework- the Power of "e3" (employment, education, and economic development). Localizing "e3" unfolds important workforce synergies and opportunities. Connecting the e3 dynamics provides the momentum needed to fit the gap in our workforce programming delivery.

The latest twist incorporates plans of works (POWs) which offer the detail for achieving planned workforce outcomes. This requires a systematic framework for reporting both processes and outcomes. This can be viewed as one of many core workforce road maps or pathways for launching new innovative programs. This explains, the outcome indicators, the goal areas leading eventually to program sustainability. Trying to determine our success track record or even relate to our workforce best practices is often difficult to determine. With the adoption of the POWs we begin to address and benchmark outcomes and impacts of our workforce programming and how staff or program assets are best used. Equally important is articulating the goal areas through engaged and leveraged initiatives. Our Internal system has shifted to the next level as seen in the active role of the collective GWIB efforts. Building transparency through our internal workforce teams and GWIB workgroups includes technical ties with our Federal Department of Labor's Employment Training Administration, once again supporting the importance of continuous commitment to collaborative partnership.

This also applies externally whether through the existing GWIB membership, grassroots organizations, faith-based groups, funding agencies, or community groups, experts, business organizations leveraging and networking provides a source for innovative solutions that must be linked and redesigned continuously. Building on commonality is not a choice but needed for building sustainable workforce programs. Questions such as what are the strengths and weaknesses of our current system, to how do we build and integrate cross planning criteria across all partners and programs touching workforce development?

Disconnecting from ineffective workforce strategies and replacing them with new thinking and solutions oriented strategies is often a difficult phase but must be done systematically. This approach pulls more than just the employment tier but include both education and how well we carry economic development. Any one of these cannot single-handedly provide the program

relief expected from the diverse island community nor carry the demands imposed. But all three aligned provides a better posture for workable strategies.

Today's GWIB community partnership includes a focused and aligned federal partner relationship resulting in increased engagement and alignment efforts to identify and ameliorate workforce problems. Concerns about education, economic development programs are equally important and must align through integrative policies supporting all three. The policy discussion remains on how best to support innovative strategies that can immediately redirect human and financial resources? The GWIB team and the active partners recognize the efforts of the work groups and teams successes. Continuing to empower program folks and agencies to be innovative and take risks, will ensure that we are adaptive, responsive and avoid what can be coined..."workforce paralysis". Two doable strategies that can begin to make an impact include: One, a focused outreach agenda promoting the services and programs to the community. Getting the message out to those who are seeking workforce opportunities is a must if any thing we do immediately would begin to match employee interests to the right employers and right jobs. Second, complimenting this first strategy is bringing workforce programs and services to the community, village based career service centers are doable programs that can begin to make the short-term impact of recruitment for developing real individual career strategy plans.

There are many factors and variables that need to be properly leveraged to begin to achieve the needed collaboration responsive to a demand driven system. These two points are examples of the basic and innovative solutions that come from within our rank and file public servants. However, disconnecting from the old pattern of traditional programming stress the known dysfunctional parts, in our case what is not working calls for a shift to the more difficult task of knowing what is needed and uncovering the hidden and often silent reasons hampering our workforce delivery.

Below, we summarize some of the foundational initiatives aligned with the 10 GWIB goal areas. These efforts are investment initiatives that provide the incremental process needed to yield the results that will benefit the community. Through these initial core initiatives, the issues before the construction community and the myriad of concerns can be addressed both in the short-term and sustainable over time.

- 1. Community Asset Mapping Initiative**
- 2. Workforce Branding and Marketing Initiative**
- 3. Cross Planning and Program Redesign POW Initiatives**
- 4. Passports to Career Collaboration**
- 5. Apprenticeship Initiative**
- 6. Workforce Information and Reporting System Initiative**
- 7. Community Based Workforce Development Programs**

While these initiatives may seem to oversimplify the workforce development agenda, this is one part of the many "right" workforce strategies though designed to be incremental and adding value for employees, employers. Investing in the right design of a tailored individual career strategy plan as life long learners are the right approaches to address retention and job placement concerns. These though may not pull the short-term solutions that are needed; it focuses on

engaging and supporting our island residents and providing an environment for structured partnering with businesses, organizations and GovGuam agencies...in the end "got Job?" has become a diverse topic and reflective of our diverse community. We encourage our workforce community to share their thoughts and ideas on how to improve our workforce system.

STRATEGIC GOAL 1: ENHANCE ONE-STOP CENTER PROGRAM DELIVERY FOR EMPLOYERS, EMPLOYEES AND CAREER STRATEGIES

Plan of Work (POW) 1A: Integrated and Leveraged One-Stop Career Centers

Sub POW: 1A.1 Sharing Accountability and Outcomes

Sub POW 1A2: Create a collaborative/integrated One-Stop Center culture that promotes the best OSC system within agencies and among partners.

Sub POW 1A3 Internet-Based Workflow System

Sub POW 1A4 Marketing and Outreach

Sub POW 1A5 One-Stop Career Center Innovations and Solutions (Interest Based Workforce Solutions)

STRATEGIC GOAL 2: A FULLY INTEGRATED AND INNOVATIVE WORKFORCE

REPORTING SYSTEM

POW 2A: Improving Workforce Information and Reporting System

Sub POW 2A 1 One Workforce Reporting System to expand the job development active ties of the Wagner-Peyser staff to include all workforce program needs.

Sub POW 2A2 Expand job development activities of the Wagner-Peyser staff to include workforce program needs.

Sub POW 2A3 To utilize a single Career Strategy Plan or Individual Service Strategy among training programs to allow optimum training and support Services to the customer.

Sub POW 2A4: Eliminate duplication of services and maximize training funds and placing emphasis on follow-ups

Sub POW 2A5: Internet-Based Workflow System

Sub POW 2A6: Promote collaborative, effective efforts by all partners, program staff and service providers to acquire and use valid complete performance measures & program indicator data

STRATEGIC GOAL 3: WORKFORCE DEVELOPMENT AND JOB TRAINING (THROUGH CAPACITY BUILDING)

- POW 3A** Apprenticeship & Certification Programs
- Sub POW 3A1: Program Modeling & Replication
- Sub POW 3A2: Job Coaches
- Sub POW 3A3: Capacity Building and Technical Assistance for Service and Training Providers

STRATEGIC GOAL 4: ADOPTION AND INTEGRATION OF THE PROPOSED WORKFORCE LEARNING CONTINUUM AS THE GUIDING FRAMEWORK FOR THE POWER OF E3

- POW 4A:** Career-based Learning Continuum Awareness and Integration
- Sub POW 4A1: Align workforce development with educational programs

STRATEGIC GOAL 5: INCREASED OPPORTUNITIES FOR PREPARING GUAM'S YOUTH FOR PRODUCTIVE CAREERS AND WORK

- POW 5A:** Youth Career Mapping & Exploration
- Sub POW 5A1 : Youth to Work- Passport to Careers Youth Development
- Sub POW 5A2: Youth Resource and Asset Mapping
- Sub POW 5A3: Out-of-School and At-risk Youth

STRATEGIC GOAL 6: SUPPORT INCREASED ECONOMIC OPPORTUNITIES FOR GUAM RESIDENTS

- POW 6A** Empower Communities
- Sub POW 6A1 : Create a Multi-Stakeholder Workforce System & linkages for doing business and program delivery policies

STRATEGIC GOAL 7: COLLABORATION WITH BUSINESS AND NONGOVERNMENTAL ORGANIZATIONS (FAITH-BASED) COMMUNITY

AGENCY FOR HUMAN RESOURCES DEVELOPMENT
(WORKFORCE INVESTMENT ACT)

AREAS OF CONCERN:

PARTNERING & COLLABORATION: GRANTSMANSHIP ALIGNED TO E3

EDUCATION
EMPLOYMENT/TRAINING
ECONOMIC DEVELOPMENT

- **Workforce Technical Team formation (Education, Employment, Economic Development)**
- **Increased professional staffing (planners, coordinators)**
- **Leverage Funding**
- **Partnership planning**

The agency faces challenges with the level of capacity in which it is currently operating to meet the demands of the workforce and increase of military presence. Strong partnering of key agency partners and workforce investment system stakeholders must form the technical teams to implement the initiatives in the state plan. The Agency which operates on 100% federal funds provides training and education for Youth, Adults, Dislocated Workers and Incumbent Workers. To make the immediate transformation in workforce development a clear understanding of the functioning of the labor market dynamics must be addressed and requires the technical expertise of workforce partners.

Some of the underlying issues facing the agency as we prepare for the increase of military presence is providing the training/education for the right employees with the right competencies. To do this, the agency must aggressively plan and develop systemic workforce change that involves cross planning strategies among workforce partners. The agency continues to align organizational and program priorities with budgetary and human resources needed to accomplish the goals in the plans of work, however, budgetary constraints in programming require the increased leveraging of program funds across agencies that serve the same target groups.

At a minimum, to address immediate workforce change a workforce analysis, competency assessment, gap analysis and workforce transition planning is required. The workforce analysis should include but is not limited to workforce demographics, retirement projections, and succession planning. Overall, a complete environmental scan should provide the agency with cross cutting strategies for implementing the plans of work more effectively and efficiently to meet the demands for a skilled workforce. Several workforce assessments are on going in the youth and community asset mapping initiative, however, the priorities of an environmental scan and further workforce planning requires agency technical teams to come together.

EDUCATION INVOLVEMENT:

The US Department of Labor Employment & Training guides workforce development in the areas of youth, adult, dislocated worker and incumbent worker. The demand driven workforce system requires workforce partners to invest strategically in workforce development activities that are relevant to the skill requirements of local industry and prepare individuals to compete in a global economy. Constant Training and Education Guidance Letters (TEGL) are issued to address the ever changing dynamics of workforce development. The overarching strategy of USDOL ETA to address changes within workforce is the critical involvement of the education partners in the dialogue. The focus on the important role that education plays in workforce development is critical in securing the island's future innovation, economic competitiveness and prosperity in our region economy. The island's public school system must work cohesively with workforce partners to address youth barriers to employment. In addition, the island's education system must adopt economic development as a core mission most especially at the post secondary level. A focus on teaching excellence remains fundamental to post secondary institutions contribution to a strong, growing regional economy. Placement of students into jobs can also be conducted in ways that contribute to economic development through expanded internship and co-op programs and strong partnerships with human resource executives and businesses. The requirement to prioritize education initiatives in economic development does not require excessive funding, however, leadership must leverage the value of our post secondary institutions by placing them at the center of workforce development policy efforts to foster greater programming solutions that ultimately build economic prosperity.

DATA EFFORTS:

- **Household Income Expenditure Report**
- **Labor Unemployment Report**
- **Centralized Workforce Reporting System**

WORKER'S COMPENSATION COMMISSION

Kumision Konprumeson Hutnaleru

Department of Labor

P.O. Box 9970

Tamuning, Guam 96931

Tel: (671) 475-7033/34 * Fax: (671) 475-7026

Email address: guamwcc@yahoo.com

Commissioner

MARIA S. CONNELLEY
Director of Labor

EDUARDO S. BERNAL
Deputy Director

MEMORANDUM D2006-005 (via electronic transmittal)

TO: **MR. EDUARDO S. BERNAL**
Deputy Director of Labor

VIA: **MARIA S. CONNELLEY**, Commissioner
Director of Labor

DATE: June 9, 2006

FR: **EMPLOYMENT PROGRAM ADMINISTRATOR**

RE: Impact to Division due to Increase in Military Presence

Members

FRANKLIN TAITAGUE
Mayors Council

- VACANT -
Guam Medical Society

- VACANT -
Guam Bar Association

- VACANT -
Guam Society of Certified
Public Accountants

MARY GUERRERO
Government of Guam

ELIZABETH HANZSEK
Labor Union

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This is in response the MEMORANDUM that was issued on 26 May 2006 relative to the *Comprehensive Integrated Master Plan on Increase in Military Presence*.

DIVISION SERVICES AND RESPONSIBILITIES:

1. Ensure employers report work accidents/injuries within ten (10) days as required by law
 - penalty for each failure or refusal to file
2. Ensure employers properly secure worker's compensation insurance
 - penalty for not securing insurance
 - penalty for not posting Notice Board
3. Ensure employers and/or their carriers:
 - pay compensation benefits accurately and within prescribed statutory time period (additional 10% or 20% penalty)
 - provide adequate, reasonable, necessary medical treatment to the injured worker for as long as the injury or recovery may require
4. Process and handle all work injury claims involving public employees with exception to oversight of privately-insured claims
5. Oversee all private-sector work injury claims

Legal Counsel

**OFFICE OF THE ATTORNEY
GENERAL**
Assistant Attorney General

Employment Program
Administrator

LEILANIE V. BAZA

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6. Jurisdiction over insurance carriers authorized to issue worker's compensation insurance in Guam
7. Conduct worker's compensation training and workshops
8. Adjudicate disputed cases according established rules, regulations and the Administrative Adjudication Law

CAPACITY LEVEL

Currently, the division employs three (3) FTE's: namely, an Employment Program Administrator, a Claims Examiner II and an Administrative Assistant.

FTE staffing level is augmented by two (2) temporary employees: an AHRD and a SCSEP participant.

Anticipated recruitment for FY2006: (1) Claims Examiner I, (1) Wordprocessing Secretary II and for FY2007: (1) Claims Investigator

With existing staffing level, the division receives an average of 2,000 new injury reports every fiscal year in addition to existing caseload.

For FY2005, the division processed:

= over \$374,000.00 in medical benefits for injured workers of autonomous agencies

= over \$325,000.00 for payment of disability compensation to public injured workers

= and paid over \$677,000.00 in medical benefits for injured public workers via the Government of Guam Special Fund

AREAS OF CONCERN

1. increase in reported work accidents will require additional staff to oversee and process claims to meet program objectives and ensure compliance of law
2. increased non-compliance by employers to report work accidents in a timely manner and/or properly secure worker's compensation insurance thus the need for sufficient level of staff, ie a Claims Investigator

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3. military personnel and/or their dependents becoming employed with the Government of Guam – possible increase in work accidents thus the need for increased appropriations to the FUND

Or if employed with private employers thus need for additional staff to oversee such claims to ensure compliance with law

4. increased reporting of public sector claims:

= lack of local specialists to treat clients therefore increasing liabilities in having to send clients off-island for treatment

= lack of cash flow in government coffers thus delaying payments to providers resulting in refusal of providers to accept and treat clients locally

RESOURCES TO MEET PROGRAM OBJECTIVES:

= additional permanent, full-time staff to meet demand of projected workload increase

= sufficient level of office supplies and equipment

= upgrade computer equipment and software and if possible, revamp existing database to improve current automation process

= may require additional appropriations to the FUND for increased medical obligations

= respective agencies and departments may require additional appropriations into their DOA accounts to pay disability compensation to their injured workers and/or qualified dependents

Respectfully submitted,

LEILANIE V. BAZA

Comprehensive Integrated Master Plan on Increased Military Presence Input Report

Prepared by: OSHA On-Site Consultation

Background:

The Guam OSHA On-Site Consultation Division operates under the auspices of the Local Department of Labor and is established through the Cooperative Consultation Agreement between the U.S. Department of Labor/Occupational Safety and Health Administration and the Government of Guam. The OSHA On-Site Consultation Division receives 100% percent of its operational and administrative funding resources from the Federal Government through the 21(d) Grant Agreement authorized under U.S. P.L. 91-596.

Mission:

The overall mission of the OSHA On-Site Consultation Project is to provide timely, courteous and professional consultative services to Guam employers and employees operating within the private sector so they may recognize and control workplace hazards to prevent injuries, illnesses and fatalities.

Services:

As briefly reflected above, the services provided by the OSHA On-Site Consultation Project are developed locally through specific results-oriented performance goals that are consistent to those established within the U.S. Department of Labor, Occupational Safety and Health Administration's Strategic Plan for 2003-2008 as approved by the U.S. Congress. Summarily, the local emphasis and strategic outline for activities on Guam are generally determined through the negotiation process between the Government of Guam and the OSHA Region IX Office. Historically, the emphasis in construction and other high hazard industries has remained consistent and will continue to be a top priority for OSHA and the Consultation Project Office.

Capacity and Staffing:

The Guam OSHA On-Site Consultation Program is currently staffed and operating at 100% percent of its allowable capability as authorized under the FY-2005, 21(d) Cooperative Consultation Agreement. The Program Staffing consists of: (1) Program Manager; (1) Administrative Assistant; and (3) OSHA On-Site Consultants, for a total of five (5) full time personnel. The performance output for the Consultation Program stands at approximately one-hundred forty (140) businesses that have requested and received direct consultation services. This figure is not inclusive of another hundred-ninety (190) businesses or business groups that have also received outreach and/or extended service assistance provided through the program annually. The culmination of services that have been provided affects approximately 3,230 clients and individuals that are employed within the outlined establishments.

Assumptions:

The anticipated relocation of approximately 8,000 Marines in addition to 15,000 of their dependants will require logistical support and housing facilities to establish a permanent stay on our island. Unfortunately, Guam's labor market is deficient of the needed skill labor force necessary to support the anticipated growth and related construction projects that have been targeted for completion by 2012. To meet the shortage, Guam's Construction Industry will require an approximate 10,000-

20,000 H-2 laborers from other parts of the region to fill this void. Guam must also consider additional support services and development from the Department of the Air Force that may be linked to the overall Military Strategic Buildup. Assurances are that the majority of these projects will be on federal (Military) facilities and are generally monitored by the Federal OSHA Compliance Office and/or covered under the jurisdiction of the Military Activity.

Anticipated Impact:

The magnitude of the anticipated Military buildup and the related construction activity associated with it will undoubtedly attract other entrepreneurial businesses and spur similar growth in construction within Guam's housing and realty market(s) and other hotel and recreational development industries. We can anticipate a marked growth in off-base construction activity by both new and existing companies to capitalize on the economic opportunity, albeit at a smaller scale. We have already seen an increase in single family residential development and can expect to see a continued increase in construction activity throughout the island. Infrastructure upgrades in utilities along major travel routes and additional roadway construction can also be expected.

Challenges:

The introduction of approximately 20,000 H-2 Workers- most of who are non-English speaking and not oriented to U.S. Standards or OSHA regulations-will present significant challenges for the Consultation Program as well as those Business owners and Contractors who's responsibility is to assure safety and health compliance. World headlines and media reports relating to the military relocation has gained the attention of OSHA Compliance in this region. An increased presence of the OSHA Compliance Branch can be anticipated. Lessons learned from our bordering neighbors in Saipan (who at one point were assessed approximately \$10,000,000.in OSHA penalties and fines during a 12 month period) will be for Guam to acquire a more safety minded workforce which is in strict compliance with OSHA Regulations, thereby avoiding the pitfalls of increased worker injuries and fatalities and the ensuing compensatory cost for treatment, both of which drives up the cost of medical care and hospitalization as well as medical insurance. Additionally, providing an educated and compliant workforce will benefit the economy by allowing local Contractors to reduce the cost of penalties and fines that may be imposed, thereby retaining the amount of recalculating revenue within the islands economy.

Opportunities:

Statistical data provided in the March 2006 Employment Report* indicates approximately 35,400 individuals employed within Guam's Private sector. This reflects a reciprocal ratio of approximately 8850 private sector employees per Consultant. Assuming an increase of approximately 20,000 additional workers' within the Private Sector of our Island Community will effectively increase the resulting ratio to 13,850 private sector employees per individual Consultant, thereby deducing the effective services that can be provided through the Consultation Program to our Islands Workforce Community by the proportionate figure. Given the foregoing conclusion, it may be within the Government of Guam's discretion under the 21(d) Negotiated Agreement to request additional personnel to retain the current level of services.

*Department of Labor Bureau of Labor Statistics