

California Community Colleges

Preliminary Comments on Business Plan WE&T Metrics

Submitted By: Jim Caldwell

Perspective:

In a normal business, a manager responsible for a \$30 million annual operating budget is expected to ...

1. Justify the investment of those funds through quantifiable metrics that directly support a specific mission,
2. And demonstrate progress over time to show positive cumulative impact on the organization's goals and overall mission,
3. Or the manager will be fired.

California's ratepayers deserve this same rigor in WE&T. The IOUs operate their for-profit business in this rigorous manner and are capable of applying meaningful metrics to WE&T.

Issues Requiring Correction in Current Business Plan Metrics

Metrics are highly problematic in the current structure of IOU WE&T programs:

- ETC Courses are open to the public, which do not allow meaningful measurement of audience benefits or impact on workforce quality.
 - For example, metrics for Economizer training are likely to be meaningless since HVAC background is not a prerequisite for the course, making usefulness to participants highly variable.
- ETC Course offerings do not show clear connections to CLEESP or EBEE Action Plan priorities, which make contributions to the state's EE mandates difficult to measure.
 - As discovered in scoping requests, the IOUs do not prioritize course offerings according to industry priorities.
 - Also, responses to the scoping requests show that the IOUs do not identify KSA requirements as ETC course metrics.
 - Please refer to the EBEE Action Plan section 3.3 for an appropriate range of metrics recommended by the CEC.
- Industry metrics for WE&T are not reflected in the Business Plans such as talent pipeline supply/demand gaps, skills gaps, etc. Bridging these gaps is critical to developing a workforce capable of meeting the state's EE mandates.
 - Research on supply/demand gaps by industry and community colleges has been shared with the IOUs, with no evidence that this information is being factored into WE&T metrics.

- Significant HVAC workforce performance gaps have been identified through multiple ratepayer-funded studies over the years. To date, the IOUs have not established a baseline from which improvements can be measured, much less quantified progress through their WE&T programs.
- It seems obvious that if the ratepayers fund research, the IOUs have an obligation to intervene and be able to demonstrate progress.
- Please refer to the EBEE Action Plan section 3.3 for an appropriate range of metrics recommended by the CEC.
- “Partnerships” and other indicators of quantity do not measure impact of the intervention strategies.
- Correcting these structural problems will help enable measurement that is more meaningful and cost-effective.

The basic premise of WE&T programs prevents use of meaningful metrics:

- The basic premise is that WE&T produces energy savings, when a more precise approach would focus on workforce quality.
 - Energy savings as the premise creates the need for “second order” metrics (what the trainees apply on the job) with many uncontrolled variables, making measurement expensive and/or impractical.
- Metrics will continue to be imprecise as long as there are no standards in the Business Plans upon which metrics can be based.
 - The IOUs consistently decline to recognize industry-valued credentials as standards by which workforce quality can be measured.

A superior approach would use the more precise metrics of workforce quality as measured by industry and supported by the state’s primary education and training providers:

- Industry metrics should be used as a primary measure of WE&T effectiveness.
- K-12 systems, community colleges, Apprenticeship programs, and CBO initiatives all track metrics that are superior to those proposed in the Business Plans.
- The IOUs’ metrics for “Partnerships” should be based on those metrics of the partnering organizations.

The above comments argue for structural changes that focus on metrics defined through deeper IOU engagement with industry, recognition of industry-valued credentials, and using the metrics of partnering organizations.

- This approach requires a shift from current WE&T programs to investment in partnering organizations that show direct impact on talent pipeline supply/demand and skills gaps, as measured by those organizations’ well-established tracking systems.

Proposed Metrics - Energy Training Centers

| Source | Metrics | Priority Occupations ¹ | | | |
|-------------------------|--|------------------------------------|---------------------------------|------------------------------------|------------------------------------|
| | | Occupation 1 | Occupation 2 | Occupation 3 | Occupation n |
| Energy Training Centers | Baseline: Supply/ Demand Gap ² | By Date Certain: Define Gaps | By Date Certain: Define Gaps | By Date Certain: Define Gaps | By Date Certain: Define Gaps |
| | Milestone 1 Date: # of New workers | # | # | # | # |
| | Milestone 2 Date: # of New workers | # | # | # | # |
| | Milestone 3 Date: # of New workers | # | # | # | # |
| Energy Training Centers | Baseline: New Worker Priority KSA Skills Gaps ³ | By Date Certain: Define Gaps | By Date Certain: Define Gaps | By Date Certain: Define Gaps | By Date Certain: Define Gaps |
| | Milestone 1 Date: # of New workers | # | # | # | # |
| | Milestone 2 Date: # of New workers | # | # | # | # |
| | Milestone 3 Date: # of New workers | # | # | # | # |
| Energy Training Centers | Baseline: Incumbent Worker KSA Skills Gaps ⁴ | By Date Certain: Define Gaps | By Date Certain: Define Gaps | By Date Certain: Define Gaps | By Date Certain: Define Gaps |
| | Milestone 1 Date: # of Incumbents | # | # | # | # |
| | Milestone 2 Date: # of Incumbents | # | # | # | # |
| | Milestone # Date: # of Incumbents | # | # | # | # |

1 Prioritized through IOU collaboration with industry and California's primary education and training providers.

2 Gaps determined through collaboration with Industry and California's primary education and training providers.

3 Gaps determined through collaboration with Industry and California's primary education and training providers; Milestones track the number of workers with new skills as defined by industry-valued credentials.

4 Gaps determined through collaboration with Industry and California's primary education and training providers; Milestones track the number of workers with new skills as defined by industry-valued credentials.

Proposed Metrics – Partnership Initiatives to Bridge Workforce Gaps

| Source | Metrics | Priority Occupations ¹ | | | |
|--------------------------------|--|------------------------------------|---------------------------------|------------------------------------|------------------------------------|
| | | Occupation 1 | Occupation 2 | Occupation 3 | Occupation n |
| Example: Community Colleges | Baseline: Supply/ Demand Gap ² | By Date Certain: Define Gaps | By Date Certain: Define Gaps | By Date Certain: Define Gaps | By Date Certain: Define Gaps |
| | Milestone 1 Date: # of New workers | # | # | # | # |
| | Milestone 2 Date: # of New workers | # | # | # | # |
| | Milestone 3 Date: # of New workers | # | # | # | # |
| Example: Community Colleges | Baseline: New Worker Priority KSA Skills Gaps ³ | By Date Certain: Define Gaps | By Date Certain: Define Gaps | By Date Certain: Define Gaps | By Date Certain: Define Gaps |
| | Milestone 1 Date: # of New workers | # | # | # | # |
| | Milestone 2 Date: # of New workers | # | # | # | # |
| | Milestone 3 Date: # of New workers | # | # | # | # |
| Example: Community Colleges | Baseline: Incumbent Worker KSA Skills Gaps ⁴ | By Date Certain: Define Gaps | By Date Certain: Define Gaps | By Date Certain: Define Gaps | By Date Certain: Define Gaps |
| | Milestone 1 Date: # of Incumbents | # | # | # | # |
| | Milestone 2 Date: # of Incumbents | # | # | # | # |
| | Milestone # Date: # of Incumbents | # | # | # | # |

1 Prioritized through collaboration with IOUs, industry, and California’s primary education and training providers.

2 Gaps determined through collaboration with Industry and California’s primary education and training providers.

3 Gaps determined through collaboration with Industry and California’s primary education and training providers; Milestones track the number of workers with new skills as defined by industry-valued credentials.

4 Gaps determined through collaboration with Industry and California’s primary education and training providers; Milestones track the number of workers with new skills as defined by industry-valued credentials.

Proposed Metrics – Partnerships to Develop Talent Pipelines

| Source | Metrics | Priority Occupations ¹ | | | |
|---|---|---|---|---|---|
| | | Occupation 1 | Occupation 2 | Occupation 3 | Occupation n |
| Example: Community Colleges ² Standard Metrics | Baseline: Pipeline Enrollment Goals | Define Goals by Date Certain | Define Goals by Date Certain | Define Goals by Date Certain | Define Goals by Date Certain |
| | Milestone 1 Date: # of Enrollments | # | # | # | # |
| | Milestone 2 Date: # of Enrollments | # | # | # | # |
| | Milestone 3 Date: # of Enrollments | # | # | # | # |
| Example: Community Colleges ³ Standard Metrics | Baseline <u>PLUS</u> Goals and Milestones for Each below ³ | Define Baseline, Goals and Milestones by Date Certain | Define Baseline, Goals and Milestones by Date Certain | Define Baseline, Goals and Milestones by Date Certain | Define Baseline, Goals and Milestones by Date Certain |
| | Students Receiving a Degree or Certificate | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones |
| | Students who Transferred to 4-Year College | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones |
| | Students Employed in 2 nd Quarter after Exit | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones |
| | Students Employed in 4 th Quarter after Exit | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones |
| | Job Closely Related to Field of Study | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones |
| | Median Earnings in 2 nd Quarter after Exit | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones |
| | Attained a Living Wage | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones | Track Goals & Milestones |

1 Prioritized through collaboration with IOUs, industry, and California’s primary education and training providers.

2 Goals determined through collaboration with industry and California’s primary education and training providers; baseline and milestone tracking through standard community colleges processes and systems.

3 Goals determined through collaboration with industry and California’s primary education and training providers; baseline and milestone tracking through standard community colleges processes and systems.