

# Understanding Workforce Demand in the New York State Food Processing Industry

*Hosted by the Cornell University Cooperative Extension, Harvest NY & the New York Association of Training & Employment Professionals (NYATEP)*

*April 29, 2014 in Victor, New York*

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## Background on the Summit

On April 29<sup>th</sup>, the Cornell University Cooperative Extension, Harvest NY and NYATEP brought together more than 70 professionals representing employers in various food processing industries, educational and training programs (such as K-12, BOCES and postsecondary institutions), Workforce Investment Boards, and state representatives from the Western New York region to discuss the workforce development needs within the state's food processing industries (food and beverage). The purpose for the event was to work with a subset of the professionals in the field to build on promising best practices to educate and train workers, understand skills shortages, and open dialogue for industry-wide coordination of education, training and employment activities.

## Executive Summary: Key Themes & Recommendations for Next Steps

The day was organized to provide attendees with data and information related to the growth of the various food processing industries and agricultural sector in the State, and strengths and challenges related to employee training, recruitment, hiring, and retention. The first panel focused on *"What is the Data? The Changing Landscape of Food & Dairy Processors in New York State"* moderated by Melinda Mack, Executive Director at NYATEP, and included remarks by Vinnie Esposito from Empire State Development, Chris Gerling from Cornell University Vinification & Brewing Laboratory, and Casey McCue from the New York State Department of Agriculture and Markets, Division of Milk Control. The second panel discussed *"How Training & Educational Programs Can Meeting the Growing Food Industry Workforce Needs"* and was moderated by Patrick Hooker, NYS Deputy Secretary for Food & Agriculture and remarks were provided by representatives from Perry's Ice Cream, Baldwin Richardson, Erie Community College, GCEDC and Cornell University. Additionally, attendees worked in small groups focused on *Curriculum Design and Implementation, Internships and Work Experience, Employee and Educational Recruitment, and Long Term Industry Planning* to discuss, in detail, the challenges relating to each topic area, and potential next steps.

Both the presentations and the small working groups provided a wealth of information regarding the changing nature of work and the workplace, the recruitment and retention challenges faced by industry and educational institutions, and the overall impact of the rapid, recent growth across the sector. The

following is a summary of the major issues identified by the attendees and recommendations to address these issues.

## ***Major Issues & Recommendations***

The Agricultural Sector and food processing industries in New York State have recently experienced rapid growth, and anticipate continued growth.

- **Agriculture is an important economic driver for the State.** The value of agricultural production was over \$5.7 billion in 2012, and 23% of New York's land areas is devoted to agriculture (~36,000 farms). Milk sales account for roughly one-half of total agricultural receipts and has grown by 8.3% since 2008. In particular, the recent growth in yogurt consumption has led to increased production to meet the growing demand nationally and overseas. Additionally, continued demand for "craft" beers and cider, growth in New York State's wine and beverage industry (up 264 newly licensed producers since Governor Cuomo took office) , and technological advances has increased the total number of producers across New York State.
- **Employment continues to grow.** As a result of the increase in overall demand and production, employment, in certain segments, has also grown. In particular, manufacturing related to dairy production has seen a 13.2% increase.

### **Recommendation:**

- **Increase availability of labor market data.** As the Agricultural sector, and associated industries, continues to grow it will be critical for the appropriate State agencies; e.g. New York State Department of Agriculture and Markets, Empire State Development, the New York State Department of Labor, and the Governor's office to share and publicly communicate the industry dynamics, at a minimum annually. Additionally, work with industry organizations or Data Centers to access data they are collecting. For example: Job openings, Total number of occupations or positions (for example, the number of positions for *Industrial Machinery Mechanics*) occupied in New York State, industry trends, and labor dynamics, such as commutation patterns, age, educational attainment, among others, are valuable information to help industry, education & training providers and Workforce Investment Boards thoughtfully plan for labor supply and demand.

The skills needed for employment in the food processing industries are changing.

- **The Jobs.** The 'hard to fill' jobs are stratified into middle or highly-skilled positions that require specific skills related to technical job requirements i.e., mechanical or equipment maintenance and repair, chemistry/bioscience, technology proficiency due to automation of the field, or managerial or administrative roles. The jobs are at a combination of large (more than 50), medium sized (25 – 49) and small (less than 25) employers.

- **Work Environment.** With growth also comes rapid commercialization of products for several employers, meaning fast paced and stressful work environments. Additionally, the challenges related to recruiting and retaining a younger, qualified workforce into “traditionally structured” industries may be detracting the “millennial” generation. More specifically, the issues related to compensation, workplace flexibility related to hours and scheduling, ongoing investment into employee growth, and workplace culture, e.g. “creating a fun and engaging work environment”, were discussed.
- **Lack of overall awareness across employers, Workforce Investment Boards, and training & educational institutions about each other.** Across many of the large and small group discussions, comments were provided about the need to better understand the currently available resources regionally and statewide. Both Workforce Investment Boards (WIBs) and employers sought a better understanding of the current education & training programs across the region; WIBs and training & employment programs were interested in understanding regional employers; and employers and education & training programs were interested in learning about training funding from the WIBs.

## Recommendations:

- **Develop a new “Food & Beverage” industry entity.** The new entity (or increased capacity of an existing organization) would coordinate, communicate, and engage the appropriate resources to support the changing needs in all facets of food processing. For example, it was suggested that an employer supported, new trade association could broadly represent “food processing”, and would be tasked with annually or biannually facilitating discussions across employers related to industry challenges and finding/coordinating new resources to support overcoming these challenges.
- **Create a resource “map” of education & training programs, employers, and Workforce Boards** to increase awareness and coordination of available resources. Utilize the Regional Economic Development Council funding process or engage the Governor’s office to request funding to support resource mapping.
- **Schedule annual statewide meeting for education & training programs, employers, and Workforce Boards.** With such rapid and diverse growth, it was suggested that the Governor’s Office, or another appropriate entity, host an annual meeting for stakeholders to share updated labor market information, changes to the sector and industries, and updates on effectiveness of training programs.
- **Create a Curriculum Development Taskforce.** Education & training providers discussed the need for a continual feedback loop between employers and educational programs to inform curriculum development, and the need for employers to clearly communicate the job tasks and skill requirements for available jobs. The development of a *Food Processing Curriculum Development Taskforce*, supported by the Governor’s office and appropriate State agencies,

would lead to better aligned, and employer supported curriculum. The Taskforce should include ALL education and training providers, including K-12, continuing or cooperative education, postsecondary, and workforce programs.

### Employers continue struggle to fill positions and retain workers.

- **Recruitment is a significant expense and challenge.** Employers that participated in the discussion shared the significant investments currently made at their organizations to recruit, screen and hire for specialized or highly skilled positions. Several employers shared their continued challenges to recruit for technical positions like maintenance mechanics and need to recruit outside of New York for “professional” job vacancies. It was also shared that wages employers are currently paying for higher skilled jobs may not be competitive.
- **Soft-skills.** It was discussed that overall job candidate professionalism, i.e. ability to show up on time, work ethic, pass a drug test, etc. – are a significant barriers for employment for many applicants and provide a retention issue.

### Recommendations:

- **Establish “apprenticeship models” for highly technical, hard to fill positions.** Apprenticeship models could enable employers to provide on-the-job training, on site at their facility, and also transfer knowledge from experience staff. The federal U.S. Department of Labor anticipates releasing a solicitation to provide funding later this fall to support the development and institution of such models.
- **Utilize existing “soft skills boot camps” to provide new employees with a basic understanding of workplace norms.** It was discussed that new employees, in particular younger recruits, lack important soft skills. Several education providers and Workforce Boards shared that they offer “boot camps” to address soft skills. If determined effective, these boot camps could be replicated or employers could partner with local organizations to provide this type of training to new hires.

### Employers, Education & Training providers and Workforce Investment Boards need to collaborate to increase industry awareness among the local community.

- **New Yorkers don’t understand the opportunities in the Agricultural Sector and Food Processing industries.** Too many training programs are struggling to recruit, and employers are challenged to attract high quality workers to occupations because of the lack of understanding of the types of jobs, the work environment, and companies across the State.

- **Education & training programs are going unfilled.** Several programs discussed the challenges attracting and recruiting youth and local community members to the variety of high quality training options, adding to the labor shortage.

## Recommendations:

- **Organize “industry awareness events”**, enabling Workforce Boards, employers, and training providers to showcase regional employers in the food processing industries. For example, establishing an annual a statewide “open house” providing facility tours to the community, expanding “bring a kid to work” day, and engaging K-12 and postsecondary institutions to feature food processing as part of their “career awareness” curriculum.
- **Create a guide to support the development and implementation of age appropriate work experiences.** Internships, job shadowing, and on-the-job training opportunities are all excellent ways to expose potential employees to the sector, gauge mutual interest, and support an incoming workforce. However, there was significant discussion and confusion about the differences between the various “supported work” opportunities; ensuring the opportunities are age-appropriate; and abide by any legal requirements, therefore it was suggested a guide or tool kit for employers is created to support the development of these experiences.
- **Utilize local media outlets to promote the food processing industries.** Employers in attendance suggested that they needed to better engage the local media through newspaper Op-Eds, local news coverage, among others, to provide insight on the food processing industries and types of available jobs locally.