WHAT IS ECONOMIC DEVELOPMENT?
The Cabinet is Kentucky’s primary state agency responsible for encouraging job creation, business retention and new investment in the state.

Programs administered by the Cabinet are designed to support and promote economic development, primarily by:

- Leading a statewide network of support for entrepreneurs, small business owners and knowledge-based start-up entities
- Assisting communities in preparing for economic development opportunities
- Assisting in the expansion and retention of existing industries
- Attracting new industries to the state
- Creating a qualified workforce
Double Take
2015 Governor’s Cup - 2\textsuperscript{nd} Consecutive year

> KENTUCKY #1 NATIONALLY
PROJECTS PER CAPITA

> KENTUCKY 5\textsuperscript{th} OVERALL
IN PROJECT ACTIVITY

<table>
<thead>
<tr>
<th>Rank</th>
<th>State</th>
<th>Population</th>
<th>Rank</th>
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<tbody>
<tr>
<td>1</td>
<td>Texas</td>
<td>26,448,193</td>
<td>2 of 50</td>
</tr>
<tr>
<td>2</td>
<td>Ohio</td>
<td>11,570,808</td>
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<tr>
<td>3</td>
<td>Illinois</td>
<td>12,882,135</td>
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<tr>
<td>4</td>
<td>N. Carolina</td>
<td>9,848,060</td>
<td>10 of 50</td>
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<tr>
<td>5</td>
<td>Georgia</td>
<td>9,992,167</td>
<td>8 of 50</td>
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<tr>
<td>6</td>
<td>KENTUCKY</td>
<td>4,395,295</td>
<td>26 OF 50</td>
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</table>
Kentucky Makes Quality Products
Manufacturing Employment

Nationally, manufacturing industry employment increased 4.4% (2011-2015)

The manufacturing industry currently makes up 8.6% of U.S. total non-farm employment

Kentucky's manufacturing industry employment grew by 13.8% (2011-2015)

The manufacturing industry currently makes up 12.8% of Kentucky's total non-farm employment
Kentucky’s manufacturing GDP has grown at nearly twice the national average since 2008. Kentucky manufacturing makes up 19.3% of total GDP compared to 12.2% for the U.S.
Filling the Skills Gap

With U.S. economic growth on a firmer footing, and demand ticking up, the AVAILABILITY OF SKILLED LABOR has become the #1 factor in site decisions, according to a survey of company executives by Area Development magazine.
For Economy, Aging Population Poses Double Whammy

As the ranks of Americans over 60 swell...

- Projections: 120 million
- Age 85+: 3
- 75-84: 2
- 65-74: 1
- 60-64: 0

...the labor force has grown more slowly*...

- 4%

...and so has productivity*.

- 4%

*Average 5-year annual growth rates

Sources: U.S. Administration on Aging (population); Labor Department via Federal Reserve Bank of St. Louis (labor force and productivity)
GOAL: German and American businesses partnering with local education/training providers with the aim of developing training programs best suited to businesses’ needs.
Skills Initiative

- Employer Roundtables – Spring 2014
  - Six locations
  - 215 Manufacturers
  - Goal
    - Determine workforce needs
    - Identify best practices
    - Survey for potential solutions
  - Outcome
    - Grow and expand KY FAME
    - Develop academic programs with industry collaboration and measurable outcomes
    - Pursue dual German certification
What is KY FAME?

- KY FAME is an industry led public/private partnership made up of manufacturers and education and government partners

Mission

- The mission of KY FAME is to create apprenticeship-style education programs at Kentucky's technical colleges to meet critical skill needs of manufacturers. FAME accomplishes this by:
  - Identifying critical skill needs in manufacturing
  - Creating market driven career paths for manufacturing
  - Standardizing curriculum and program delivery
  - Providing meaningful work experience concurrent to the educational experience
  - Marketing manufacturing careers
  - Recruiting the next generation of employees through student sponsorship
History

- Originated in 20 year continuing education program at Toyota
- KY FAME industry partnership launched in 2009.
  - 9 manufacturers in the Bluegrass region
- First student sponsorship program at Bluegrass Community & Technical College in 2010/11
  - 1 company
  - 22 AMT graduates
- Announcement of state organization in January 2015
- State level board of directors
- 100 companies currently sponsoring approximately 400 students
- Over 130 member companies, 9 chapters
Advanced Manufacturing Technician (AMT)
- Primary program used by KY FAME to create a skilled workforce in skilled maintenance.
- Integrated, career pathway associate degree program provided by KCTCS colleges.
- Combines workplace experience with a simulated classroom environment.
- KY FAME members sponsors students, who then participate in AMT
  - Attend classes 2 full days per week
  - Work at sponsoring company 3 full days per week

<table>
<thead>
<tr>
<th>8:10 Hrs</th>
<th>M</th>
<th>Tu</th>
<th>W</th>
<th>TH</th>
<th>F</th>
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<tbody>
<tr>
<td>Work</td>
<td>School</td>
<td>School</td>
<td>Work</td>
<td>Work</td>
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<tr>
<td>2:4 Hrs</td>
<td></td>
<td></td>
<td>Homework &amp; Study</td>
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The National Career Pathway Network recognized the AMT program as the Best Career Pathway Program in the U.S. in 2013.
## Advanced Manufacturing Technician (AMT) Integrative Curriculum

<table>
<thead>
<tr>
<th>Technical Skills</th>
<th>Personal Behaviors</th>
<th>Manufacturing Core Exercises</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>Attendance</td>
<td>Safety Culture</td>
</tr>
<tr>
<td>Fluid Power</td>
<td>Communication</td>
<td>Workplace Organization</td>
</tr>
<tr>
<td>Motor Controls</td>
<td>Diligence</td>
<td>Lean Manufacturing</td>
</tr>
<tr>
<td>Maintaining Industrial Equipment</td>
<td>Interpersonal Relations &amp; Initiative</td>
<td>Machinery Maintenance &amp; Reliability</td>
</tr>
<tr>
<td>PLCs</td>
<td>Teamwork</td>
<td>Problem Solving</td>
</tr>
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</tbody>
</table>
Partnership of business and education to offer efficient education opportunities

- 9 Chapters Created
- 2 Under Consideration
Pathway Options

High School Graduates

Enhanced Operator Certificate  AMT Associates Degree  Adults: Veterans, Existing Employees

Zero Debt  Work Experience  68-71 Credit Hours

Employment  Business  Engineering
Enhanced Operator Certificate - Pilot

- A locally recognized industry certificate
- 14 hours of college credit
- Blends on-line & lab learning environments,
- Incorporates company sponsorship with work experiences
- One semester completion time
- 28 Students per semester

Computerized Manufacturing & Machining - Pilot

- Structured like AMT
- Machine Tool, Machining, 3-D Programming, etc
- Incorporates company sponsorship with work experiences
- Associates of Applied Science
- 7 students in first cohort
Advanced Manufacturing Business (AMB)
- Piloted with Northwood University – Georgetown Campus – 20 current students
- Bachelor’s in Business Management with Manufacturing Focus
- Coursework includes: Project Management, Situational Leadership, Quality Control, etc
- KY FAME members sponsors students, who then participate in AMB
  - Integrated work and learn program
- AMT program is fully transferable

Advanced Manufacturing Engineering (AME)
- Piloted with University of Kentucky – 1 current student
- Bachelor’s in and ABET-Accredited Program with Manufacturing Focus
- KY FAME members sponsors students, who then participate in AME
  - Integrated work and learn program
German Dual Certification

Achieve IHK Dual Certification for AMT

1) Establishment of industry board to oversee operations (Achieved 2009)
2) Board leadership with an educational institution to develop curriculum (Achieved 2010)
3) Educational programs must include a dual-training/work and learn component (Achieved 2010)
4) Identification of comparable German curricula (Achieved 2014)
5) Board developed training programs for college instructors and company trainers (Achieved 2015)
6) Develop in-house training plan (Estimated completion May 2016/17)
7) Industry-led exam committee (Achieved 2015)
8) Develop end of program exam (Estimated completion 2016/17)
German Dual Certification

Pros
- Standardized, measurable outcomes
- Consistency in academic programs
- Private sector involved in curriculum and exam development
- Increased quality
- Economic Development impact

Cons
- Time to achieve dual certification
- Cost vs benefit
- Do all companies participate?
Thank you