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The jobs keep coming, but we need qualified workers

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Indiana's manufacturing sector has gotten better at churning out an important product recently -- new jobs for Hoosiers.

Last week, The Wall Street Journal reported that Indiana leads the nation in job creation this year, buoyed by industrial growth. A closer look at data provided by the state's Department of Workforce Development shows that we've added nearly 12,000 new manufacturing jobs in 2010 (only the broad professional business services category has added more positions).

This trend is consistent with the economic forecast released by Conexus Indiana as part of our annual Manufacturing and Logistics Report Card; economists from the Ball State Bureau of Business and Economic Research predicted a sharp manufacturing recovery during the second half of 2010 and 2011. The state's total manufacturing compensation is projected to grow by nearly \$2.5 billion during this period, after falling or staying flat since mid-2007.

Once again, reports of manufacturing's demise were greatly exaggerated: The recession took its toll, but every downturn brings a recovery.

The domestic auto industry suffered plummeting sales, bankruptcies and bailouts, but Indiana has attracted international auto plants and seized high-tech opportunities in electric vehicles.

Global competition has challenged U.S. manufacturers, but Indiana has led the nation in attracting foreign manufacturing jobs.

Traditional jobs have disappeared, but high-skill manufacturing careers have emerged.

In short, every challenge also is an opportunity, and Indiana's heritage of manufacturing strength and innovation prepared us to take advantage.

Recent positive events aren't just isolated announcements, but part of a broader growth trend. They include Chrysler's \$300 million investment in its Kokomo plants, EnerDel's plans to double job creation in Central Indiana, and the recent acquisition of the vacant Delco Remy factory in Anderson by S&S Steel.

It's even more remarkable because we're starting from a higher plateau: Indiana already has the most manufacturing jobs per capita of any state in the union.

But we can't afford to be lulled into complacency by good news. Long-term prosperity is achievable only if we're willing to outwork and outthink the global competitors eager to challenge our success.

This means making the most of this recovery, maintaining a competitive tax climate and continuing an aggressive economic development effort to make Indiana an attractive destination for manufacturing investment.

We also have to look beyond the next business cycle and concentrate on the strategic issues that will determine our competitiveness for the long term.

Human capital is clearly one of these issues. Indiana's high school graduation rate ranks in the middle of the pack, and we're among the least-educated states in terms of college graduates in our work force. In all, just a third of Hoosier adults hold at least a two-year degree.

At a time when new manufacturing jobs demand high-tech skills and problem-solving capabilities, workers with a high school diploma or less just can't make the grade. And with baby boomer workers retiring in greater numbers (and the average age of the Indiana manufacturing worker hovering at about 50), the state faces a looming shortage of qualified employees.

We can't have sustainable job growth without a parallel focus on education. Ultimately, trying to grow our economy without training our work force only frustrates the ambitions of both the companies that can't find skilled workers and the Hoosiers who continue to find themselves unqualified for better jobs.

Conexus Indiana is working with our industry and educational partners to create new training programs appropriate to emerging careers in manufacturing and logistics, while encouraging young Hoosiers to enroll in these programs through the "Dream It. Do It." marketing outreach campaign. (Learn more at www.dreamitdoitindiana.com).

In any business you're always either gaining or losing momentum. For the moment, Indiana is moving forward. But to keep it up we still need to make the education connection: Filling manufacturing jobs doesn't mean just matching workers with empty spots on an assembly line. It means sending our work force back to school. That's how Indiana will keep our manufacturing edge.
