

## Part IV: Implementation Guidelines

Too often implementation is considered optional or just an after-thought, in which case a strategy often collects "dust on a shelf" along with other forgotten, time-consuming plans. The difference lies in the work and forethought that should go into the execution of several key implementation action steps soon after the development of the *Regional Cluster Analysis*. Implementation serves as a blueprint for positive change and focuses all resources on agreed-upon goals.



Most importantly, implementation should be a partnership between economic development and Cameron Works to best leverage all relevant stakeholders for the effective implementation of the work products presented by *Market Street*.

### Key Implementation Guidelines:

- ⇒ Devise strategies and workgroups to communicate action plans and implementation results to key stakeholders.
  - ⇒ Encourage industry to participate in K-12 schools and to craft workforce training programs, remembering that most occupations projected to grow in Cameron require only a two-year degree or technical certificate.
  - ⇒ Collaborate with hospitals and health care employers to create a physician and nursing recruitment program. Recruit educators to teach these programs.
  - ⇒ Consider early intervention and job awareness training, beginning with middle school. Go to the kids in the schools to talk about vocational education options, health care opportunities, skilled trades, and so forth.
- ⇒ Continually preach that "jobs of the future" will require a great degree of technical skills, technological aptitude, customer service skills, and lifelong learning.
  - ⇒ Identify mismatches that may exist between education and training programs and the requirements of industry.
  - ⇒ Establish a customer-service skills training consortium. Work towards establishing a training center or program in the community.
  - ⇒ Establish community coalitions and partnerships across stakeholder groups—involve economic development, industry, education, and other leaders in the community. Develop goals and action steps to get workers trained and prepared for current and future opportunities.
  - ⇒ Develop a "basic skills" curriculum, reinforcing development of customer service skills, technical skills, mechanical skills, etc. Ensure students and the workforce can "read," "write," and "compute."
  - ⇒ Develop working groups or industry councils specific to each recommended target industry. Include key leaders, employers, educators, parents, and others.
  - ⇒ Most important: Keep the work alive and "off the shelf."



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CAMERON COUNTY, TEXAS

# REGIONAL CLUSTER ANALYSIS

## Introduction

Cameron County community leaders have recognized the need to develop and implement a strategy to enhance its economic health and the well-being of its residents. To help achieve that end, Cameron Works, Inc. hired *Market Street Services*, an Atlanta-based workforce development consulting firm, to independently analyze the competitive position of Cameron County, perform a workforce assessment, and complete an industry cluster analysis.

The key findings of this work are highlighted in this brochure and separated into the four parts of the process, which are:

### I. Current Realities

An assessment of Cameron County's demographic characteristics and present economic health and structure. Presented in April 2004.

### II. Workforce Assessment

An assessment of the present working-age population and Cameron's capacity for work-

force training, support, and further development. Presented in May 2004.

### III. Regional Cluster Analysis

Identified business sectors that Cameron can realistically target based on the area's existing strengths and national economic trends. Presented in June 2004.

### IV. Implementation Guidelines

Outlined the process to help achieve the successful targeting of the chosen business clusters, workforce development, and long-term economic prosperity for Cameron County. Presented in June 2004.

In order to illustrate the strengths and weaknesses of Cameron's workforce for the analysis, three other border counties with similar characteristics were chosen as comparables: Webb and Val Verde Counties, Texas, and Santa Cruz County, Arizona.

A holistic economic strategy involves integrating a number of elements: recruitment, retention, entrepreneurship, and small business development.

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## Part I: Current Realities Assessment

The *Current Realities Assessment* analyzed what has happened in Cameron County in the recent past, and also looked at the current position of the community relative to three other border communities, the State of Texas, and the nation. The *Assessment* was presented by *Market Street* on April 19, 2004.

### Key points from the Current Realities Assessment:

- ⇒ Cameron County has a growing population, creating a favorable supply of labor and consumers, as focus group participants indicated. In order to maintain that supply, the negative net domestic migration and possible "brain drain" will need to be addressed through resident retention and previous-resident recruitment efforts.
- ⇒ The growth in the over 65 years old population, which will probably only increase with the aging of the Baby Boom generation, will likely generate economic opportunities in both the health care and tourism sectors.

## Part I: Current Realities Assessment continued...

- ⇒ The bilingual nature of Cameron County is an attractive feature, creating many potential opportunities for the area's workforce. Companies require more workers to be functionally able to communicate in both English and Spanish. An area's tourism base also relies heavily on a bilingual workforce.
- ⇒ While Cameron's rates are similar to those of the other border counties, Cameron has lower educational attainment levels when compared to the State and the nation. From 1990 to 2002, Cameron's percentage of the adults aged 25 years and older without a high school diploma improved from 50.0% of the total to 43.2% of the total. However, the County still has considerable improvements to be made to reach the 2002 estimates of 22.3% for the State and 17.4% for the U.S.

## Part II: Workforce Strengths and Weaknesses

*Market Street* identified the existing skill levels of Cameron County's workers as well as potential challenges and opportunities facing both the labor force and the regional workforce system (education and training providers and partner agencies).



As part of that process, *Market Street* conducted four focus groups in Cameron County the week of May 10, 2004 and an on-line survey in order to provide a more qualitative analysis of the existing character and resources of the area. The focus groups were conducted in Brownsville, Harlingen, Port Isabel, and San Benito, Texas. Additionally, the on-line survey was available for the three week period from May 3 to May 21, 2004 on the Cameron Works website, [www.cameronworks.org](http://www.cameronworks.org). The deliverable was presented by *Market Street* on May 13, 2004.

Issues identified by focus group participants as those most pressing upon Cameron's future included the need for:

- Basic skills development;
- Positive role models for the community's large young population;
- Retention of existing businesses and stronger economic development efforts;
- Improved technical and secondary education opportunities;
- More partnerships and collaboration within the community; and
- Overcoming the perceived or real lack of customer-service, mechanical, technical, and basic skills (being able to "read," "write," and "compute").

### Key points from the Workforce Strengths and Weaknesses Assessment:

- ⇒ Improving the community's low educational attainment levels can begin at the secondary school level by overcoming the lower per student expenditures of the

County, the possible "teaching to the TAAS" issue, high school graduation rates, and lower college entrance exam scores.

- ⇒ The student-teacher ratio in Cameron is greater than the State average, indicating the possible need for more teachers. Any existing teaching shortages will only worsen if the current high population growth rates continue; therefore, teacher retention and recruitment efforts may be an important part of a secondary school improvement plan.
- ⇒ Institutions of higher learning in Cameron County, which currently have strong two- and four-year degree programs, and the Regional Academic Health Center need to be fully utilized, marketed, and supported by the community.
- ⇒ The significant growth of Tech Prep enrollment in Cameron County should continue by maintaining and developing programs that prepare students for growing, higher-paying occupations.



⇒ Cameron Works has demonstrated success that it needs to build upon; it has a higher entered employment rate, retention rate, and credential/diploma rate than the State. The agency will

need to bolster its marketing and outreach efforts for all of its workforce development and continuing education programs to further expand on its success to date.

- ⇒ Identified entrepreneurial spirit in the community should be nourished with the small business support, training, and financing opportunities available to the community. Cameron County's apparent low availability of capital should be overcome by seeking new, innovative funding sources to support small business development.

## Part III: Regional Cluster Analysis

*Market Street* recommended business and industry clusters based on the Region's competitive advantages and regional, national, and global growth opportunities. *Market Street* also identified the critical success factors that will enable Cameron County to reach its identified vision and goals, as developed by the Regional Working Group and community leaders. The deliverable was presented by *Market Street* on June 16, 2004.

### Key points from the Regional Cluster Analysis:

*Market Street* used the four-county region of Texas counties Cameron, Hidalgo, Starr, and Willacy to conduct the *Regional Cluster Analysis*. The quantitative and qualitative analysis resulted in the selection of five business sectors Cameron should target. They are:

#### Health Care

- ⇒ The aging of the Baby Boom generation will naturally increase demand for health care services and products. Communities that anticipate and prepare for this demographic phenomenon will be able to generate economic activity from this increase.
- ⇒ Comprised of both Health Care Service Providers and Health Care Products Manufacturing.
- ⇒ Existing assets: Health Care Services currently represents over 20% of total Cameron employment and is projected to increase from 2000 to 2010 by 35.9%; Valley Baptist Medical Center and the other regional hospitals; and the Regional Academic Health Center and various degree programs at TSTC, UTB/TSC, STCC, and UTPA.



#### Hospitality and Tourism

- ⇒ During the recent economic downturn in the national economy, tourism has become a way to leverage local recreational and cultural assets to help stimulate job growth.
- ⇒ Comprised of both Arts, Entertainment, and Recreation; and Accommodation and Food Services.
- ⇒ Existing assets: Variety of cultural, historical, and recreational assets that can attract a diversity of travelers including heritage tourists, eco-tourists, retirees, students on spring break, and Mexican visitors.



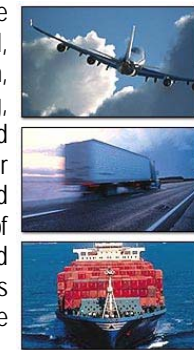
#### Transportation Equipment Manufacturing

- ⇒ The Southeastern U.S., including Texas, has become increasingly popular for this sector due to the availability of large "greenfield" sites, relatively low wages, lower unionization, and flexible facilities that support production of several models at one site.
- ⇒ Includes a range of products, parts, and supplies used in the production and assembly of aircraft, motor vehicles, ships, etc.
- ⇒ Existing assets: Employment projected to increase from 2000 to 2010 by 17.0%; recent consideration by Boeing to locate manufacturing facilities in the County raised the area's visibility; and Ship and Ship Building is currently strong in the County.



#### Logistics

- ⇒ In 2002, logistics industry revenue totaled \$910 billion. Of that total, \$571 billion was for transportation, \$298 billion was for warehousing, and \$41 billion was for related services. Demand for transportation-related goods and services represented over 10% of the U.S. economy in 2000, and computerization and wireless technology are redefining the industry.
- ⇒ Comprised of both Transportation and Warehousing, and Wholesale Trade.
- ⇒ Existing assets: Proximity to a large customer base; adequate railways, airports, and deep-water seaports; opening of borders to Mexican trucks; FedEx upgrade to daily Airbus cargo service; and Cameron's status as a major maquiladora center for over 30 years.



#### Plastics Product Manufacturing

- ⇒ The U.S. is the world's largest producer of plastics products, and Texas is ranked as the most competitive place in the world for plastics (based on a survey conducted last year of consultants, real estate professionals, and location selection experts).
- ⇒ Comprised mainly of Plastics Product Manufacturing, with Rubber Product Manufacturing as a supporting sector.
- ⇒ Existing assets: An emerging sector for Cameron: from 2000 to 2010 employment is projected to increase by 21.9%.

