

# Building **NEW MEXICO** *True* **TALENT**

## for the International Trade Industries

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An Analysis of the Skills, Knowledge, and Abilities  
Needed for a Comprehensive and Well-Qualified Talent Pipeline



## INTERNATIONAL TRADE ROUNDTABLE FUNDERS

Many thanks to the forward-looking funders  
who made this report possible!



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## Executive Summary

The International Trade Industry, comprised of employers in both Advanced Manufacturing and Transportation & Logistics, is a strong, sustainable industry poised for explosive growth in Southern New Mexico.

Workforce opportunity in this industry is robust and welcoming of people at all levels of skills: low, middle, and high. Turnover in this industry currently stands at about 50%, presenting an enormous challenge to employers and accounting for high turnover costs. To abate the risks and costs of staffing changes, many employers use temporary agencies to source talent. Additionally, much of the workforce is comprised of Texans rather than New Mexicans, but employers are open to hiring more people from New Mexico.

Key barriers to be overcome include:

- Housing and transportation challenges that prevent more New Mexicans from entering these careers
- Location of the industrial parks from the larger Las Cruces population center
- Negative impact of the social assistance programs' "cliff effect" that hinders increasing the wages and promotability of lower-skilled workers

Critical opportunities for partnership center on:

- Expanding Opportunity for Younger Workers:
  - Work-based learning opportunities for in-school youth and young adults
  - Out-of-school youth
  - Those not currently enrolled in social assistance programs
  - Customized Training
  - DACC AVANZA
  - Career and Technical Education Certificates and Degrees
- Maximizing Participation of Workforce Connections in talent sourcing
  - Identifying available candidates with transferrable skills
  - Partnering with Adult Education GED+Certificate program
- Expanding Opportunities for More New Mexicans
  - Leveraging Opportunity Zones to support local housing projects
  - Establishing van pool from Las Cruces to the Industrial Parks

The following report outlines in specific detail how to holistically build out a local workforce in support of current International Trade employers, as well as pipelines of talent that can be marketed to attract new employers into the region.

# Building the “Bridge” from Education to Opportunity in Doña Ana County’s International Trade Industry

## INTRODUCTION

Doña Ana County is home to the fifth largest port on the US/Mexico border with more than \$30.5 billion in total trade in 2019. It is squarely in the middle of the US/Mexico border and located just north of the largest exporting region in Mexico – the Chihuahua/Juarez manufacturing corridor.

It’s prime location as the eastern-most, land-based Port of Entry provides the setting for what may be a resurgence in American manufacturing triggered by the onset of the global pandemic and the national call to be intentional about re-shoring and near-shoring essential supply chains.

Santa Teresa, home to four industrial parks, is the epicenter of this industry in Doña Ana County. It is home to about 50 companies of which half are in Manufacturing, a quarter are in Transportation & Logistics, and the rest represent a mix of other related industries.

With that in mind, The Bridge of Southern New Mexico partnered with the Border Industrial Association to help gain a broader understanding of the workforce needs of what we are calling the International Trade sector, which includes companies that engage in both Advanced Manufacturing and Transportation & Logistics. We sought to survey a balanced group of eight employers from both sides of this industry.

Leveraging elements of the U.S. Chamber of Commerce’s Talent Pipeline Management approach and the license for a survey tool shared with New Mexico State University, The Bridge conducted a survey of the Roundtable members and then distilled the data to create actionable intelligence.

The seven companies helped us understand their workforce needs and challenges, so that we may work together to maximize opportunities for employment of New Mexico workers. Participating employers included:

- Jimmy Romero, Distribution Center Manager, Interceramic (Tile Manufacturer and Distributor)
- Steve Ortiz, General Manager, SteriGenics (Healthcare Sterilization and Laboratory Services)
- Audrey Baray, Human Resources Coordinator, D.A., Inc. (Plastic Injection Product Supplier for the Automotive Manufacturing Industry)
- Alex Sierra, Director – Customer Experience Department, Acme Mills (Distributor of Textiles primarily for the Automotive Industry and now Manufacturer/Distributor of Personal Protective Equipment)
- Dora Orona, Senior Recruiter, Union Pacific (Nationwide Rail Distribution)
- Juan Carlos Nunez, Human Resources Manager, CN Wire (Copper Wire Manufacturer)

- Jack Brown, Sales Manager, Glaz-Tech Industries  
(Wholesale Manufacturer and Supplier of Construction and Specialty Glass)
- Rob Robinson, President, J.H. Rose Logistics, LLC  
(Logistics Brokers of Domestic and International Transportation Services)
- Josh Orozco, Vice President of Strategic Development, Border Industrial Association

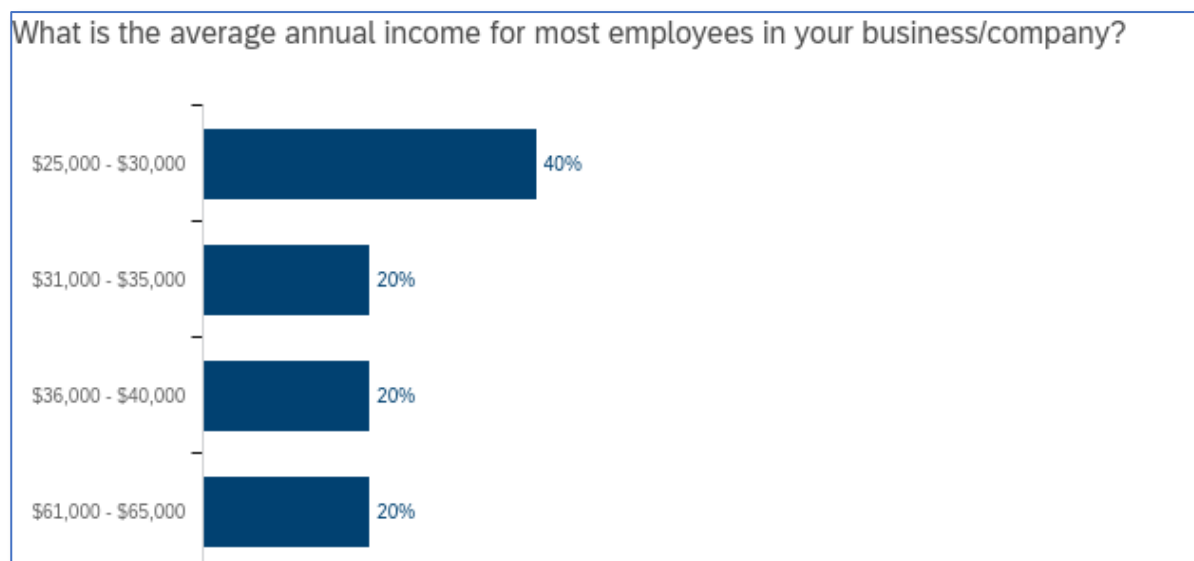
What follows is a summary of the findings. Key challenges have surfaced that require further exploration and innovation to address:

- These employers experience 50% turnover rates as a group. They account both the location of the industrial parks and the lack of local housing as contributing to this turnover. Union Pacific experiences that rate due to furloughing of workers based on the impact of the economy on the rail industry. Two of the employers indicated that, to help reduce their turnover, these employers have become more flexible on absenteeism and tardiness and virtually eliminated their turnover.
- The lack of nearby housing and transportation costs between the industrial parks and the large Las Cruces population center has long been identified as a barrier to increasing employment from New Mexico and contributing to reduced turnover rates for employees. The active role of county government for housing and partnership with the South Central Regional Transit for transportation are both needed to generate greater opportunity for employment for more New Mexicans.
- Conflict for employees between wage and asset limits of public assistance benefit programs that can inhibit their ability to earn more by taking promotions, working full-time, or accepting overtime pay.
- Employers are currently hiring all employees in the 26-35 age range, which may mean overlooking opportunity for younger workers with the most to gain from the entry-level jobs in the industrial parks.
- Location of the industrial parks may preclude talent in Las Cruces, limiting the number of New Mexicans working in this industry.

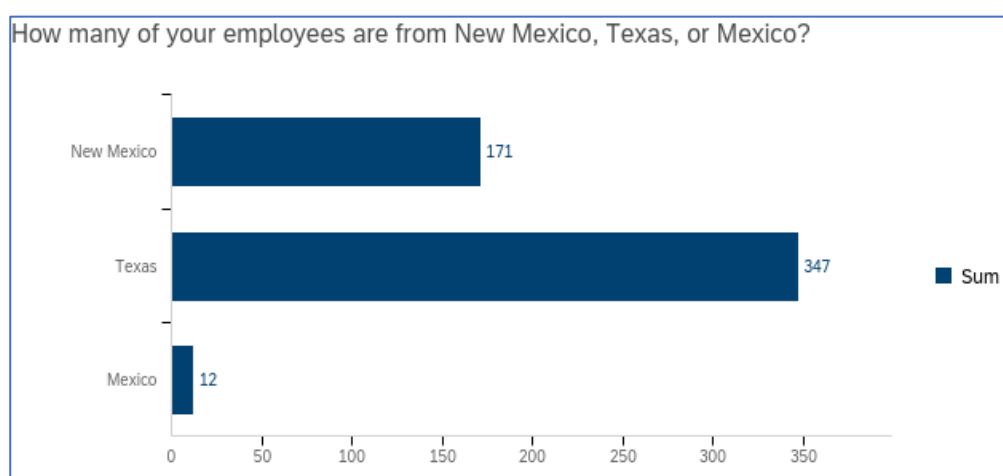
## **ABOUT THE EMPLOYERS AND THEIR JOBS**

Roundtable members represented 464 total employees, hiring 212 replacement workers per year, indicating extraordinarily high turnover rates. The employers offer wages and benefit packages for their employees:

- Four offer standard benefits like healthcare
- One offers additional training programs



The close location to the US/Mexico and New Mexico/Texas border does attract a workforce from across the Borderplex Region.



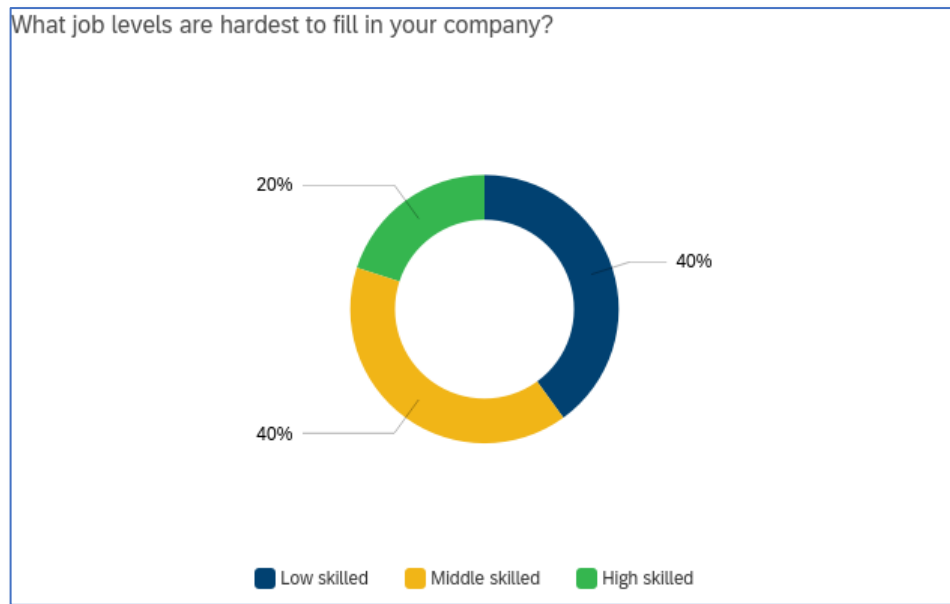
Barriers to hiring more New Mexicans included:

- Lack of local, in-state affordable housing
- Cost of traveling to work
- More awareness of job opportunities
- Not enough candidates
- Wages for some jobs may not be high enough

Union Pacific does employ about 100 people between their three southern New Mexico locations including Santa Teresa, Deming, and Alamogordo.

All of those surveyed said new hires fall into the 26 to 35-year-old category and require some level of previous preparation. Employers indicated challenges with hiring at all levels:





The surprisingly high percentage of those reporting difficulty in filling low-skilled jobs is attributed to:

- Not liking the nature of the work
- Conflict between wages and how that affects employees' public support benefits (also known as the "cliff effect")

Employers reported: "They tell us they can't work too many hours because it affects their benefits." "They can't work overtime, because it affects their benefits." If Doña Ana County and the state of New Mexico see this industry as a prime target for economic development, we need to have a comprehensive conversation about how to maximize employment opportunities for those who are not dependent on social supports and use low-skilled jobs as the apprenticeship or training opportunities leading to middle-skilled opportunities.

Employers do value previous experience in their hiring. One indicated the desire to see a candidate have one to two years in a warehousing environment, especially when working with heavy, fragile materials. Three of the five do offer work-based learning opportunities to help candidates acquire this experience including:

- On-the-job training
- Job shadowing

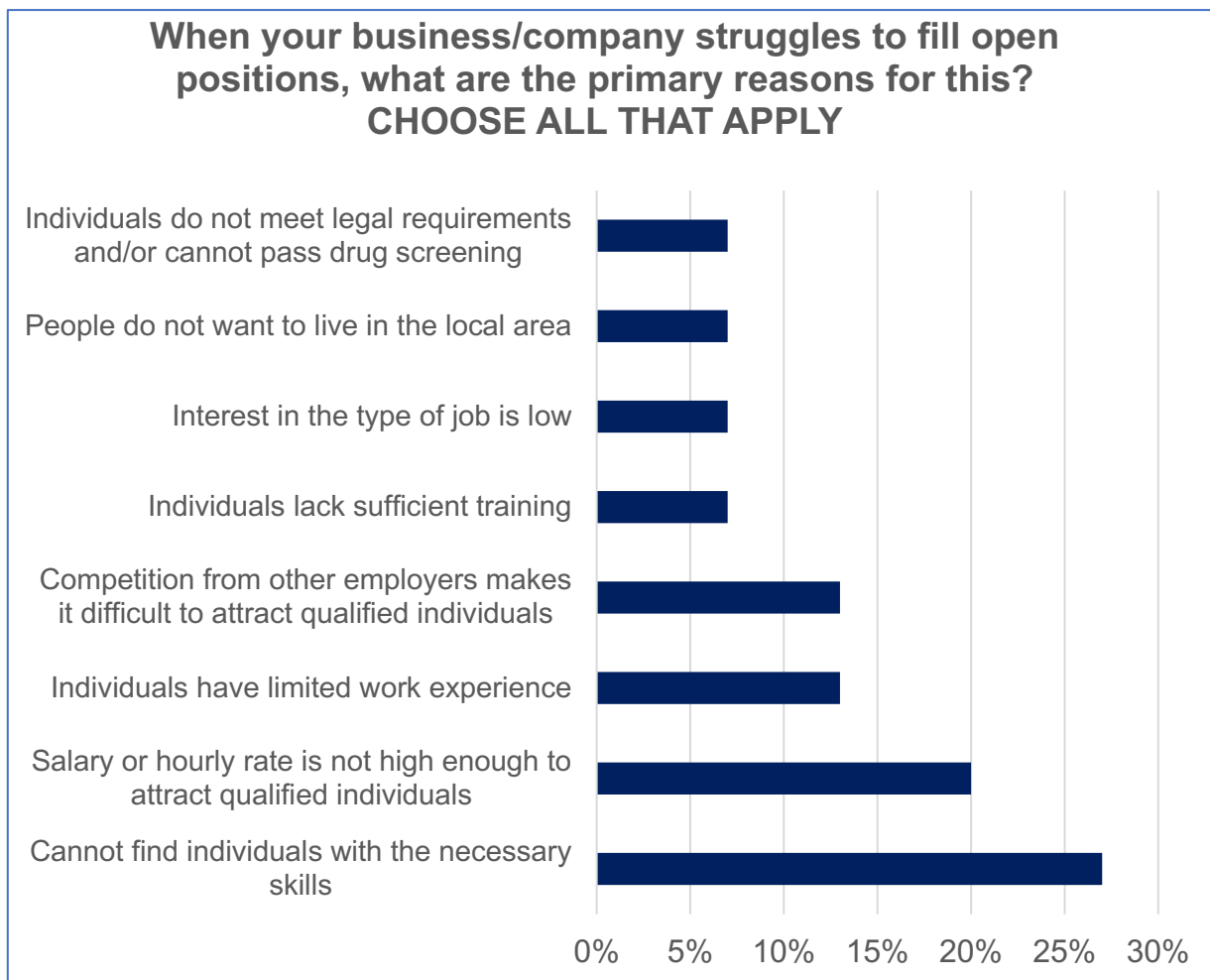
These jobs are prime opportunities for the Workforce Connections' adult and youth service providers partner with the industrial base to connect qualified candidates to these opportunities.

Sixty percent of employers reported having difficulty finding well-qualified employees for a majority of their jobs. The Roundtable identified the hardest to fill jobs were:

- A Lot of Jobs:
  - Machine Operators
  - Forklift Operators
- Some or Very Few Jobs:
  - Material Handler

- Machine Operator
- Clerk
- Supervisor
- Team Leader
- Diesel Mechanic
- Diesel Electrician
- Installation Technician
- Sr. Electrical Technician

The group identified why they have trouble filling positions.

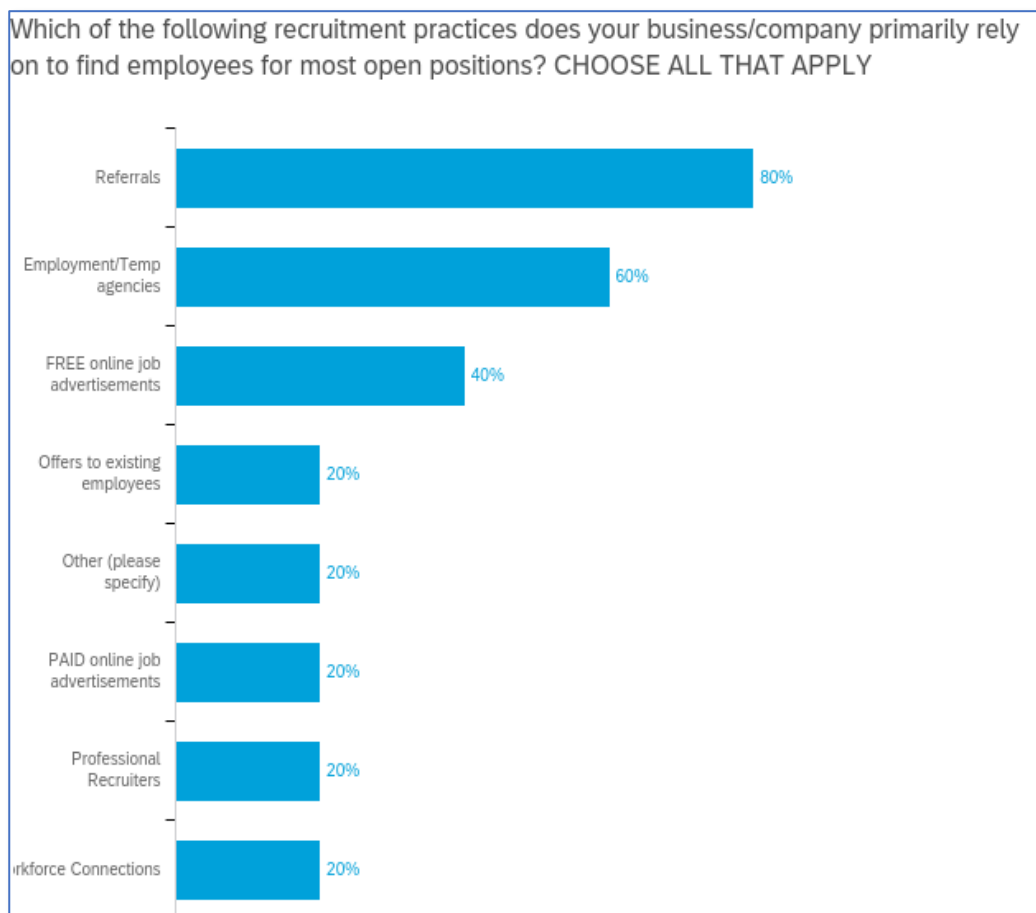


Forklift Operator is one specific example where having the credential is not enough. “It doesn’t mean they know how to drive,” said one employer.

Contributing to the turnover rates is a fair amount of “cannibalizing” of employees between companies in the industrial parks, which increases turnover costs for employers. This dynamic could be meaningfully addressed and repositioned in a positive way, and that recommendation will be discussed later in the report.



Employers use a variety of approaches to help them identify qualified candidates:



Employment and Temporary Agencies have long been relied upon to help identify employees. These agencies reduce the risk to employers to having short-term employees that place a burden on the employers' Unemployment Insurance, while also providing a "trial" period during which employees can be evaluated for "how reliable they are," and the potential for long-term employment. As it relates to Unemployment Compensation, employees who qualify for benefits must demonstrate previous employment for 18 consecutive months prior to filing.

### THE SKILLS, KNOWLEDGE, AND ABILITIES NEEDED FOR SUCCESS

Based on Industry Roundtable participant responses, here is a comprehensive picture of what skills, credentials, and degrees are valued by employers in this Industry.

# THE SKILLS, KNOWLEDGE, AND ABILITIES NEEDED FOR SUCCESS

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## Skills:

- Applying information that is read
- Using computers and computer programs
- Using mobile devices
- Entering data
- Evaluating the credibility of digital sources
- Inventory control

## Highest Valued Trade or Certificates:

- Forklift Certification
- Welding
- Association for Supply Chain Management Credentials
- Business Administration
- CDL
- Diesel or Auto Mechanics
- MS Office
- Equipment Operations
- Electrical
- Maintenance

## Highest Valued Two-Year Degrees:

- Maintenance/Mechanical
- Welding
- Electrical
- Accounting/Bookkeeping
- Operations
- Diesel Mechanic or Automotive
- Logistics
- Electrician
- Computer Literacy
- Business Administration
- CDL

## Highest Valued Four-Year Degrees

- Engineering
- Supply Chain/Logistics
- Business Administration
- Computer Science
- Marketing



This industry also offers a number of jobs that don't require post-secondary (college) credentials. Top jobs for high school diploma or equivalent were identified as:

- Production Associate
- Material Handler
- Warehouse Operation
- Office Administration
- Train Crew
- Track Laborer
- Mechanical Service Operator
- Utility Clerk
- Forklift Operator/Driver
- Clear
- Machine Operator
- Press Operators

For these jobs, the interview process will determine candidates' likelihood for hiring. Previous experience in similar areas has value here. Specifically, Union Pacific indicated that transferrable skills from other industries would be very valuable for their hiring:

- Military
- Automotive
- Construction/Welding
- Oil & Gas
- Mining
- Law Enforcement

"We like to see anything where people have experience working outdoors, in a warehouse, are safety sensitive, and comfortable working non-traditional hours due to the nature of our work," said UP's Orona. She highlighted the importance of OSHA 10- and 30-hour training programs are valuable to their operations. She also explained that those who are part of UP's train crew work on-call, meaning that their work occurs with the arrival and departure of trains at the New Mexico sites.

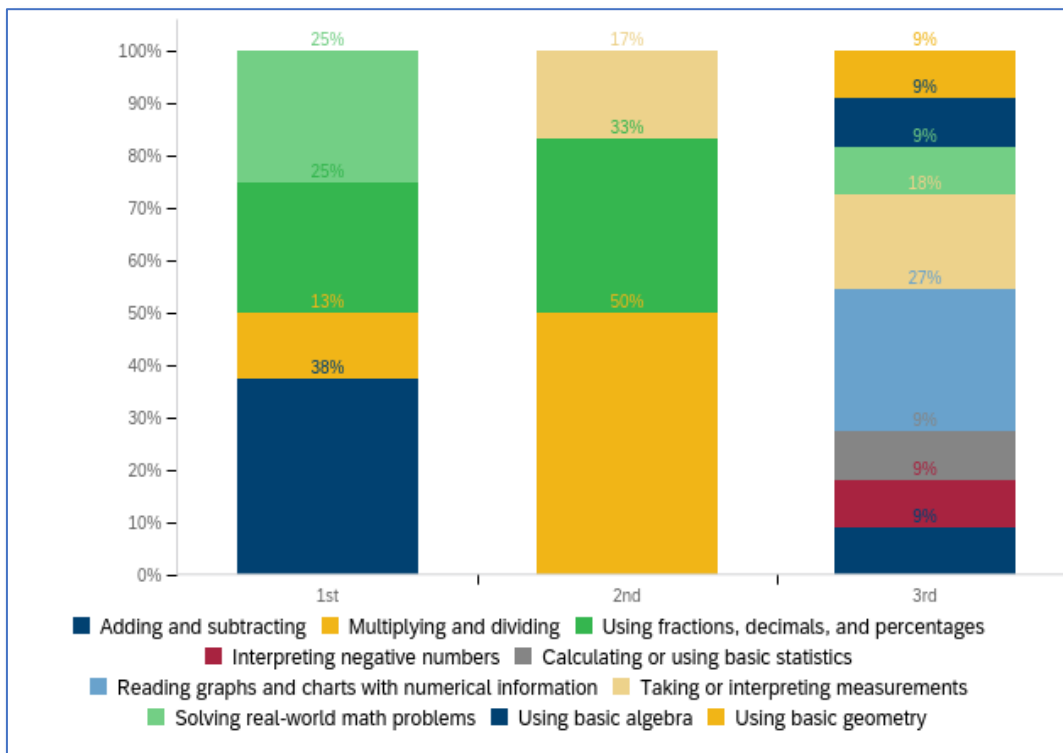
Romero of Interceramic highlighted the importance of inventory control experience and that his company encourages employees to continue their education. Supervisors usually have associate degrees, and managers have bachelor degrees.

As it relates to skills, employers were asked to indicate the top three skills needed for most jobs in the business in the categories of:

- Math
- Reading, Writing, Language
- Employability or "Soft" Skills
- Technology
- Digital Literacy

The following graphs show the skills most valued by these employers in each of the five categories.

## MATH

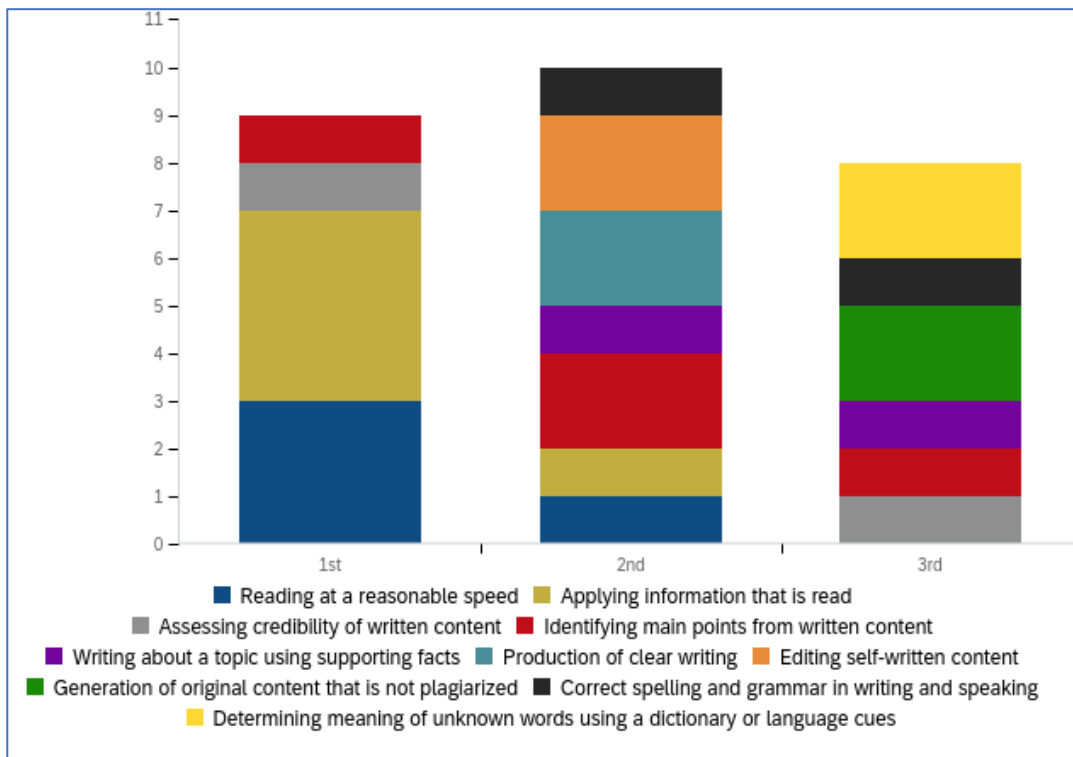


In assessing gaps between skills required by Roundtable members and skills potential candidates seemed to have, it was interesting to note employers did not believe “most candidates” had any of the listed math skills. At least 80% of employers listed “Some candidates” seemed to be able to demonstrate:

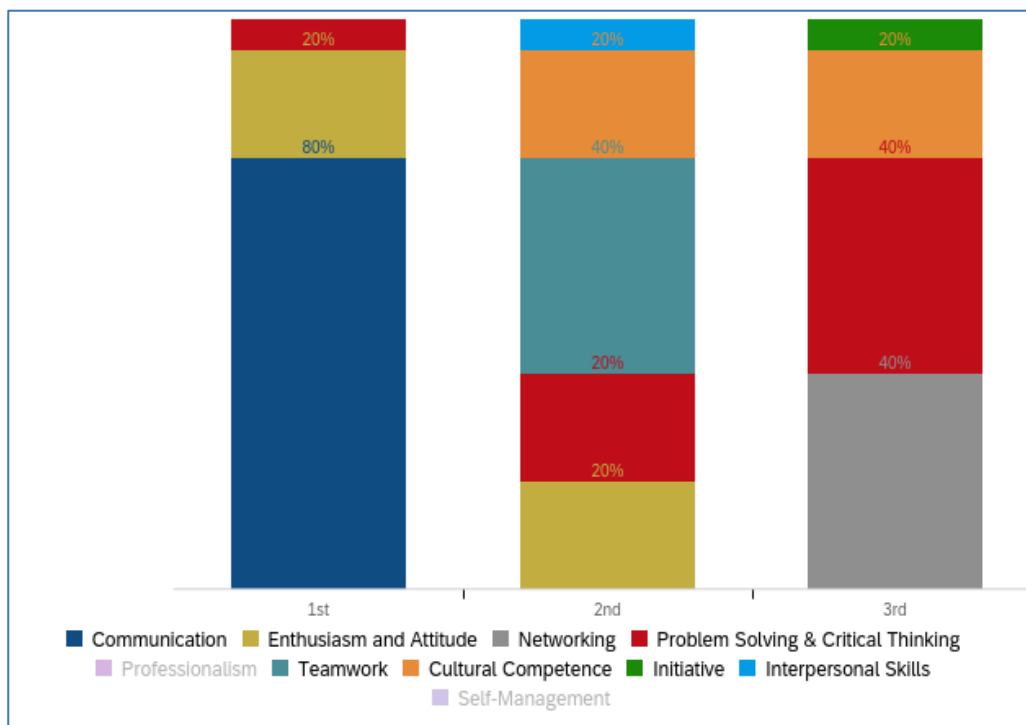
- Adding and subtracting
- Multiplying and dividing
- Using fractions, decimal, and percentages
- Reading graphs and charts with numerical information
- Taking or interpreting measurements
- Solving real-world problems

Romero indicated that their employees do need to be able to calculate areas and square footage. Nunez said their candidates to need to calculate the wire needed to be produced based on the size of the wire.

## READING, WRITING, AND LANGUAGE

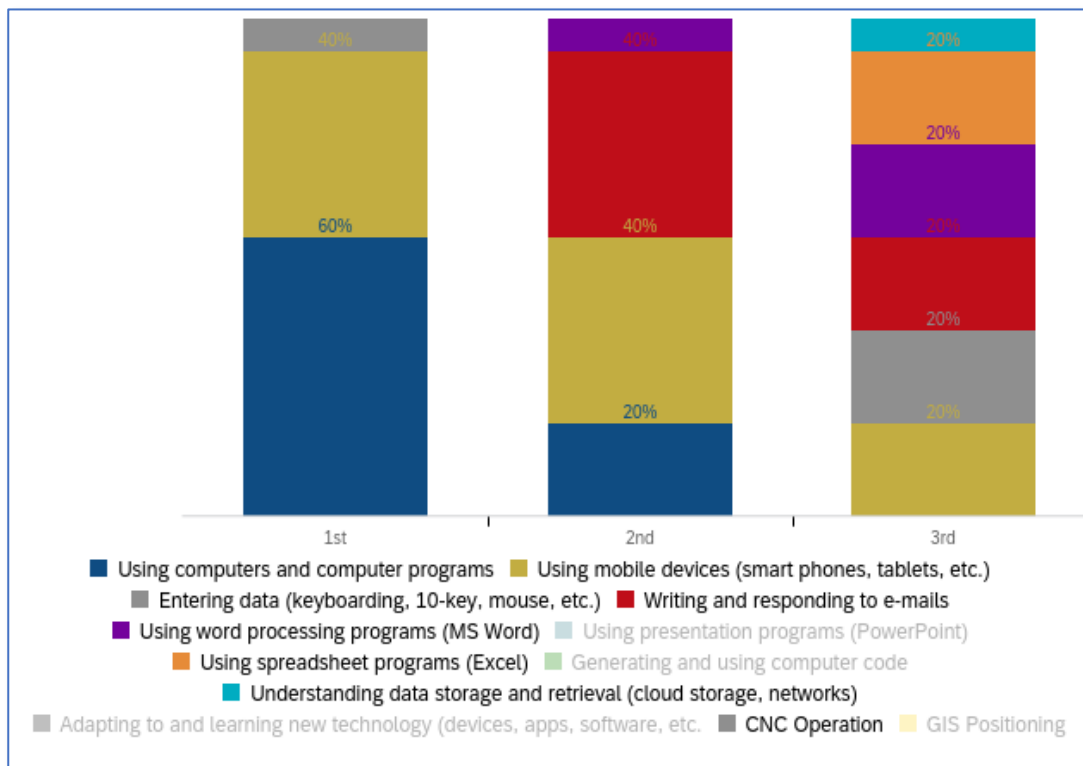


## EMPLOYABILITY OR “SOFT” SKILLS



When non-traditional candidates are evaluated, employers listed “can-do” attitude as an important attribute. Nunez and Romero specifically discussed the importance of “the right attitude” as important to their hiring process.

## TECHNOLOGY

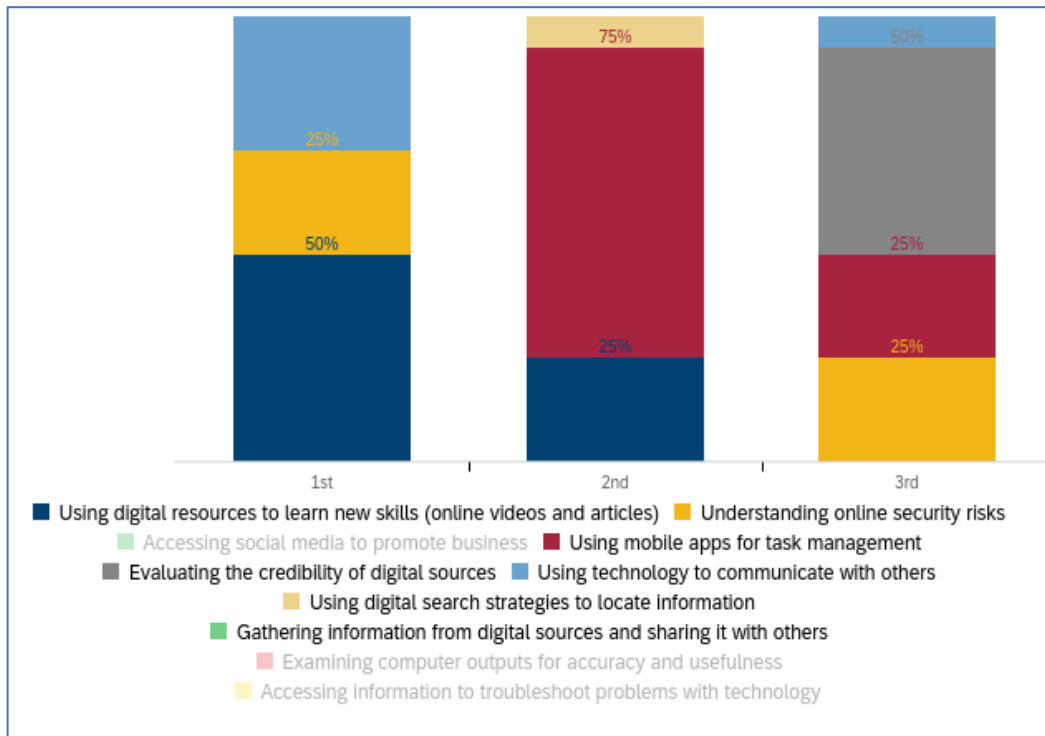


Specific technology skills valued by the Roundtable members also included:

- Microsoft Office Suite (Excel, Word, PowerPoint, Outlook)
- Oracle
- Experience in Warehouse Management Software Systems and Radio Frequency Scanners

Romero indicated that other skills, like CNC Operation, is valued in that it is an indicator of the potential for success of a candidate.

## DIGITAL LITERACY



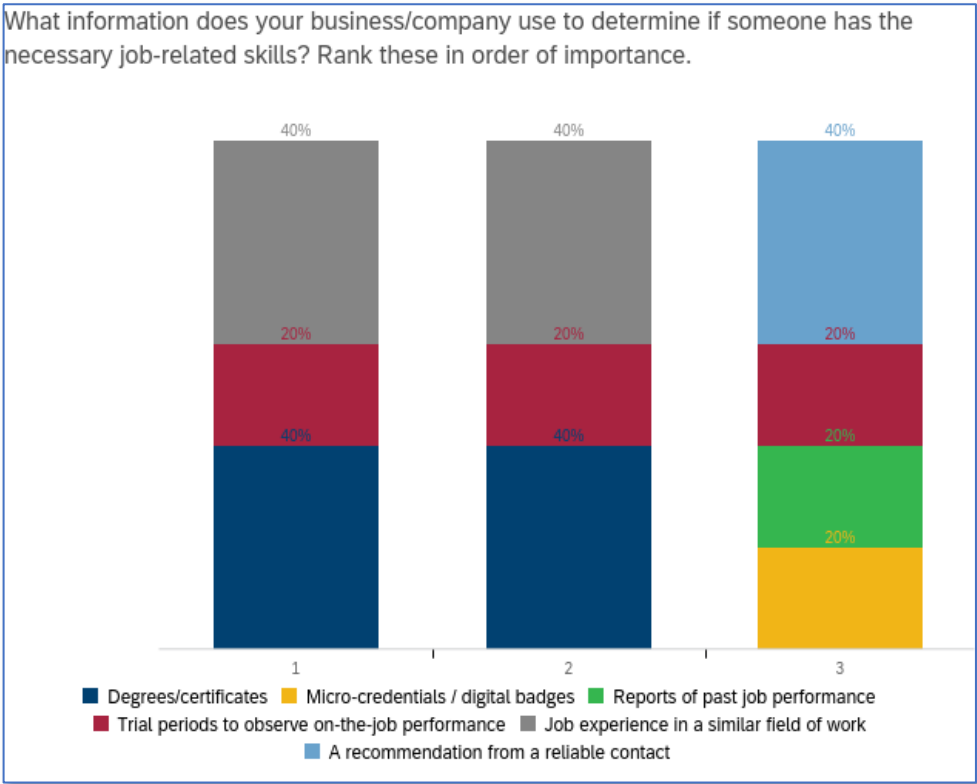
## DEGREES, SKILLS, AND EXPERIENCE

Fully 80% of the Roundtable members view mastery of industry-specific skills as the greatest contributing factor to future job success.





Ranking the top three indicators of potential job performance, they spoke very clearly on the what they were looking for:



Evaluating the balance between degrees and experience, Roundtable members said:

<i>The focus is on the ability to perform the work required and initiative. The desire/motivation to see a work project through to the end.</i>
<i>Employee must meet entry level requirements, have needed education for the specific job. HAVE GOOD WORK ETHIC</i>
<i>Degrees/Certificates are good, however, we would like to see some work experience in that specific field.</i>
<i>Certificates or degrees indicate that the employee has made an effort to complement their experience academically. They also require less training and typically apply what they learned in school to improve processes and increase overall productivity.</i>
<i>Someone with a degree is assumed to be able to complete all the above</i>

COVID 19 has driven more than 11,000 people to file for unemployment. These are individuals from a host of industries and may have experience and skills that can be transferred to this industry. Asked if respondents would consider other candidates, they said:

<i>Someone with more experience in our specific industry</i>
<i>If the applicant has a proven verifiable history of great work performance.</i>
<i>We select the most skilled applicant coupled with a can-do attitude.</i>
<i>Experience, past job performance, work history, and references, etc.</i>
<i>Could have the skill set for the position, but not the education certificate, but demonstrates the work ethic and knowledge for the position.</i>

UP provided examples of skills they value in candidates that are derived from previous experience:

- Understanding safety-sensitive work environments and are motivated to be a safe employee
- Have a level of comfort and a healthy respect for moving heavy equipment
- Previous experience with hazardous materials

One of the members indicated that those from hospitality and retail industries would likely not be preferred candidates, due to their inexperience with working outdoors.

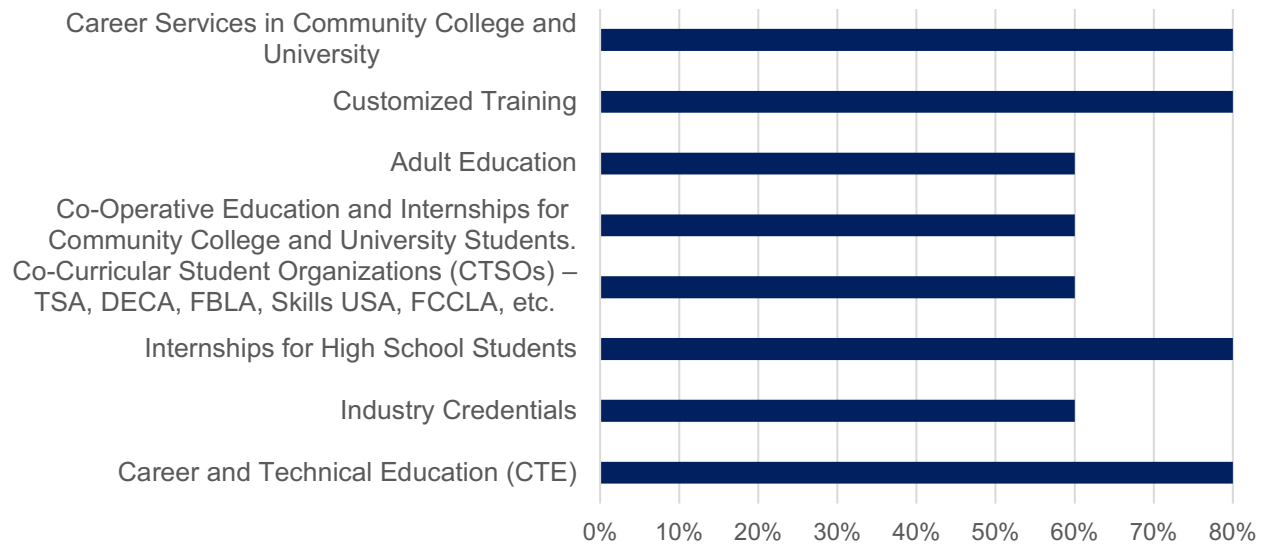
### **Awareness of Education and Workforce Programs for the Industry**

The New Mexicans most likely to secure jobs in this sector are those located closest to the industrial parks. This includes residents of Santa Teresa, Anthony, La Mesa, Mesquite, and La Union. However, the close proximity to the border of El Paso does encourage a large hiring pool from Texas.

Maximizing the economic impact of this industry for New Mexico requires a focus on growing employment opportunities for New Mexicans, including displaced workers, those with work experience in related industries, and youth who are both in- and out-of-school.

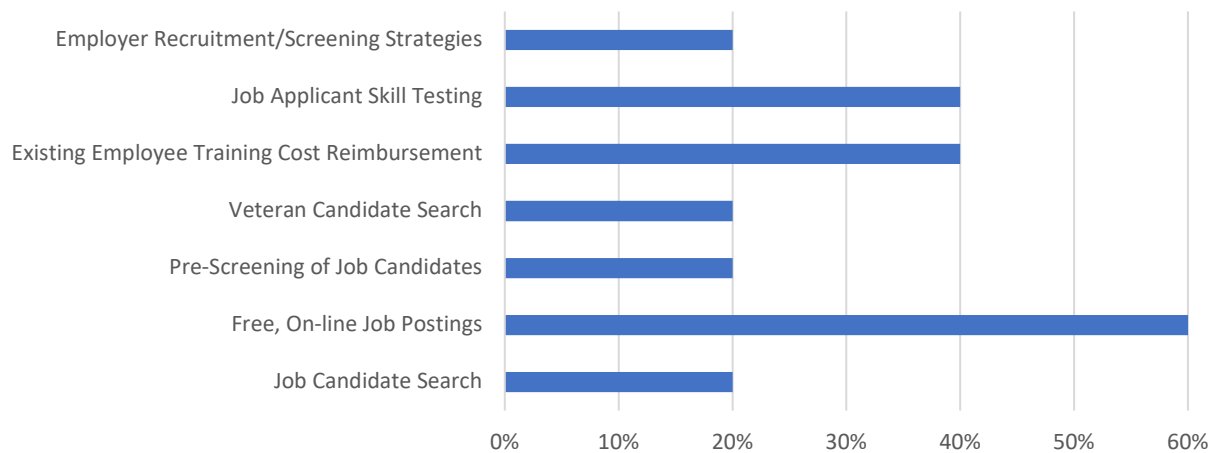
Generally, the Roundtable members are aware of, and see great value in, the various educational programs that may help them connect to current and future talent:

**Our business/company is aware of the following resources and programs available in our local K-12 and post-secondary educational institutions.**



On the other hand, they are far less aware of the numerous ways the Workforce Connections system can assist them with workforce needs:

**Our business/company is aware of and uses the following resources and programs available through the Workforce Connections offices and the New Mexico Department of Workforce Solutions system.**



The new south county office of Workforce Connections has a mutually beneficial relationship that needs to be formed with this employer base. The Border Industrial Association, as an advocate for ALL of the needs of the employers in the industrial parks, is perfectly positioned to be the conduit to these relationships, especially because Josh Orozco also serves as Chair of the local board overseeing the operations of Workforce Connections in this region.

## KEY OPPORTUNITIES FOR PARTNERSHIP AND INNOVATION

The findings from this study reveal that employment in this region is more dependent on experience than education, but the RIGHT education is valued by employers. High turnover rates and all employers hiring in the 26-35 age range reveals the need to rethink hiring, training, and growing talent. Strong relationships with the full education continuum and Workforce Connections will lead to better employment outcomes in the short term, as well as lay the foundation for economic growth of the industry for the long.

### Expanding Opportunity for Younger Workers

Employers' strengthening ties with both the Gadsden Independent School District and Doña Ana Community College would widen access to work-and-learn opportunities, and perhaps reduce the rate of turnover by retaining employees over longer periods of time and advancing in their skills, knowledge, and responsibilities with this employer base. Young people may be less likely to face limitations on wages than those faced by employees on benefit programs. By working in partnership with education and with one another in the industrial parks, they, themselves, will facilitate the creation of a pool of talent growing in skills, abilities, and experience.

Internships with GISD have taken place in the past, and the Career Coordinator for the district is best positioned as the liaison to internships and summer employment for youth. Career and Technical Education pathways in Santa Teresa and Gadsden High Schools could provide a training ground for both internships and apprenticeships to help employers with entry-level and middle-skilled careers. Those that may be most beneficial are: Automotive Technology, Engineering, Welding, and Computer Science. Just getting their feet wet as high school students may provide a pathway to a pool of future talent that would be ready for higher-skilled, higher-demand careers.

Doña Ana Community College, as a member of the BIA, has four programs that intersect well with the workforce needs of the Industry:

- Adult Education GED+Certificate program
- Customized Training
- AVANZA
- Career and Technical Education Certificates and Degrees expanded to south county through distance learning

Rob Robinson spoke highly of the current efforts of educator to partner with the needs of the industrial base. Building on those relationships, follow-up conversation should be hosted by the BIA with employers, DACC's full contingent of aligned programs and GISD's Career Coordinator's office may yield an entirely new set of resources for cultivating and identifying new workforce talent. The GED+ approach of Adult Education could focus on high-value certificates for graduates from their program, which serves a large population of those who are bilingual, benefiting this cross-border industry.

### Maximizing Participation of Workforce Connections

The southern part of Doña Ana County has been poorly served by the Workforce Connections system historically. However, the recent acquisition of a south county office will open greater awareness of

these opportunities and access to those resources for the New Mexicans most likely to be geographically close to these jobs and benefit from hiring benefits through the workforce system. There are deep pockets of people living in poverty in the south county, which also means they would be qualified for the full complement of services provided by Workforce Connections. Other partners in such an effort would include the SL Start program of the Temporary Assistance for Needy Families, DACC Adult Education, Community Action Agency, and other workforce service providers.

Here, again, the financial benefits to employers working with the Workforce Connections system are significant. Job postings, candidate screening, and interview process support can be done in partnership with the new Workforce Connections office in Sunland Park. Employers who hire candidates through the system at a sustainable wage (\$14.62/hr.) can have 50%-75% of those wages for six months subsidized. For jobs under that wage threshold, employers can still qualify for waivers when available.

Additionally, employers can have the costs of training incumbent workers offset by 50% if an outside training provider is needed or at no cost if that training can be provided directly by the Workforce Connections staff.

Workforce Connections' leadership is able to work one-on-one with employer to evaluate the costs of turnover and the costs of hiring both through temporary agencies and the Workforce Connections providers.

The Youth provider in the Workforce Connections system, working in partnership with the apprenticeship coordinator, can also work collaboratively with employers to establish apprenticeship programs for out-of-school youth that are financially beneficial to employers.

The One-Stop Operator for the Workforce Connections system is ready to meet with employers on a one-on-one basis to conduct a cost-benefit analysis of hiring through the system vs. through temporary agencies and other methods currently in use. Reducing the cost of turnover for an industry that is experiencing a 50% turnover has enormous benefits for the bottom line of these critical economic drivers.

#### Expanding Opportunities for More New Mexicans

One of the clear contrasts of this area, with its next-door-neighbor proximity to Texas, is the abundance of housing in the area – on the TEXAS side of the border. This easily accounts for the high percentage of Texans who take on these jobs on the New Mexico side. Discussions about housing developments and affordable housing have taken place throughout the years, but no projects have yet to move forward. The long-term economic returns of increasing local housing options will be well worth the investment. Leveraging funding for affordable housing and Opportunity Zones should be championed by Doña Ana County to build infrastructure now for the expansion of opportunity soon to come. Rob Robinson pointed out that expansion is already happening. “Paul Foster is building two huge warehouses. A Dallas investor is going to build a warehouse. FedEx is going to a seven-day operating schedule, and they will train people go from entry level and work up through their career ladder.”

In the short term, the need to connect those unemployed by COVID to the jobs that are there right now requires that transportation solutions be implemented to encourage those in the central part of the county to consider those jobs. Those in the \$9-\$10/hour range simply aren't worth the cost of travel,

but with support from the South Central Regional Transit District, a direct vanpooling-type service would render strong results in carrying Las Cruces residents directly to these jobs in a way that is economically feasible. This conversation must be held immediately, as New Mexico works toward economic recovery.

## CONCLUSION

COVID 19 had the unintended consequence to highlight for the US the critical need for reshoring and nearshoring numerous supply lines. Manufacturing on either side of the US/Mexico border can be more readily facilitated now that the USMCA is in place and Santa Teresa is perfectly positioned for success.

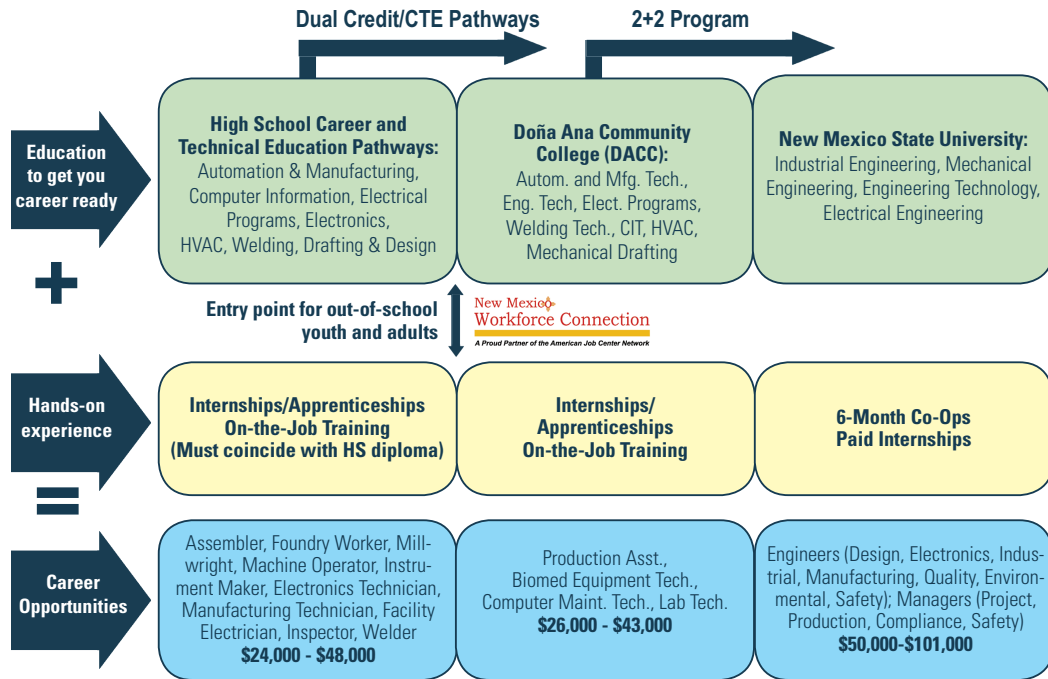
Without workforce, we'll fail to secure these new opportunities for New Mexico. So, focusing on these industries is vital to not just the county's, but the state's economic recovery post-COVID.

Admittedly, the entry-level of jobs in this industry are at or just above minimum wage but provide a strong training ground for young workers in the southern part of the county. Employers willing to incorporate on-the-job training, internships, and apprenticeships into their hiring practices will benefit from recruiting talent at a lower cost, while also having the opportunity to train them in "their" way of doing work...something specifically mentioned by one of the Roundtable members.

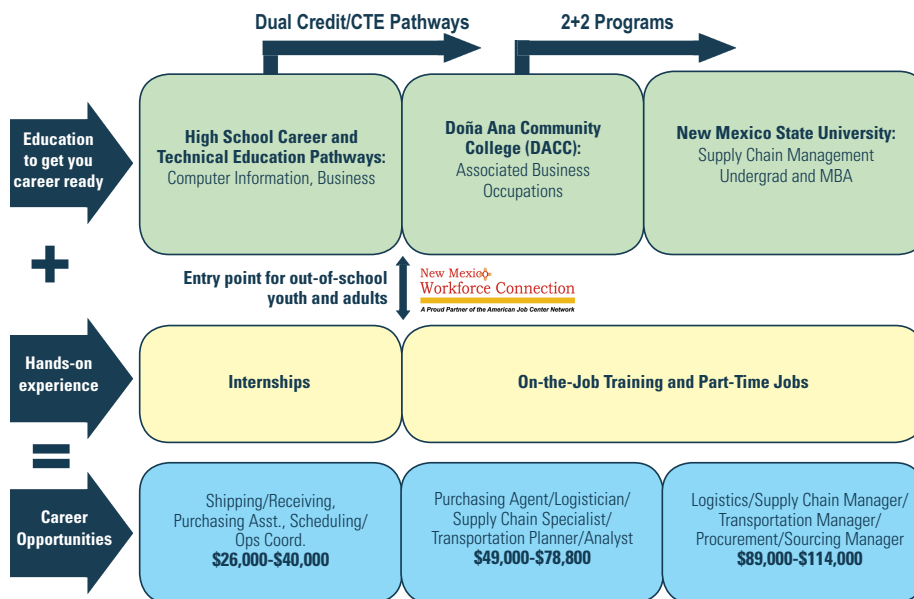
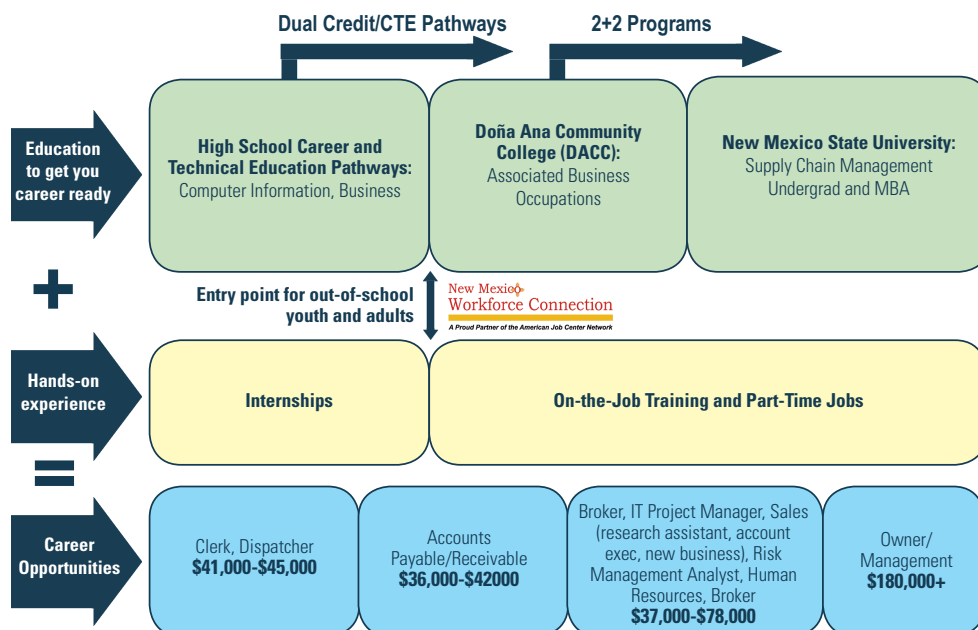
There is also a way to reposition the turnover rates to the benefit of all employers in the industrial parks. As an example, Union Pacific's workforce is subject to furloughing based on the economy. Those workers, well equipped and trained for similar types of jobs, can become experienced new hires for other employers whose jobs don't fluctuate with the economy.

Maximizing the current career pathways for both of these industries will produce the sustained levels of well-qualified talent these related industries need. Following are three career pathway graphics that map the interconnected set of assets in education, work-based learning, and Workforce Connections to generate the talent for the holistic employment opportunities in this overarching industry.

## Manufacturing Industry Pathways, Partners, and Positions





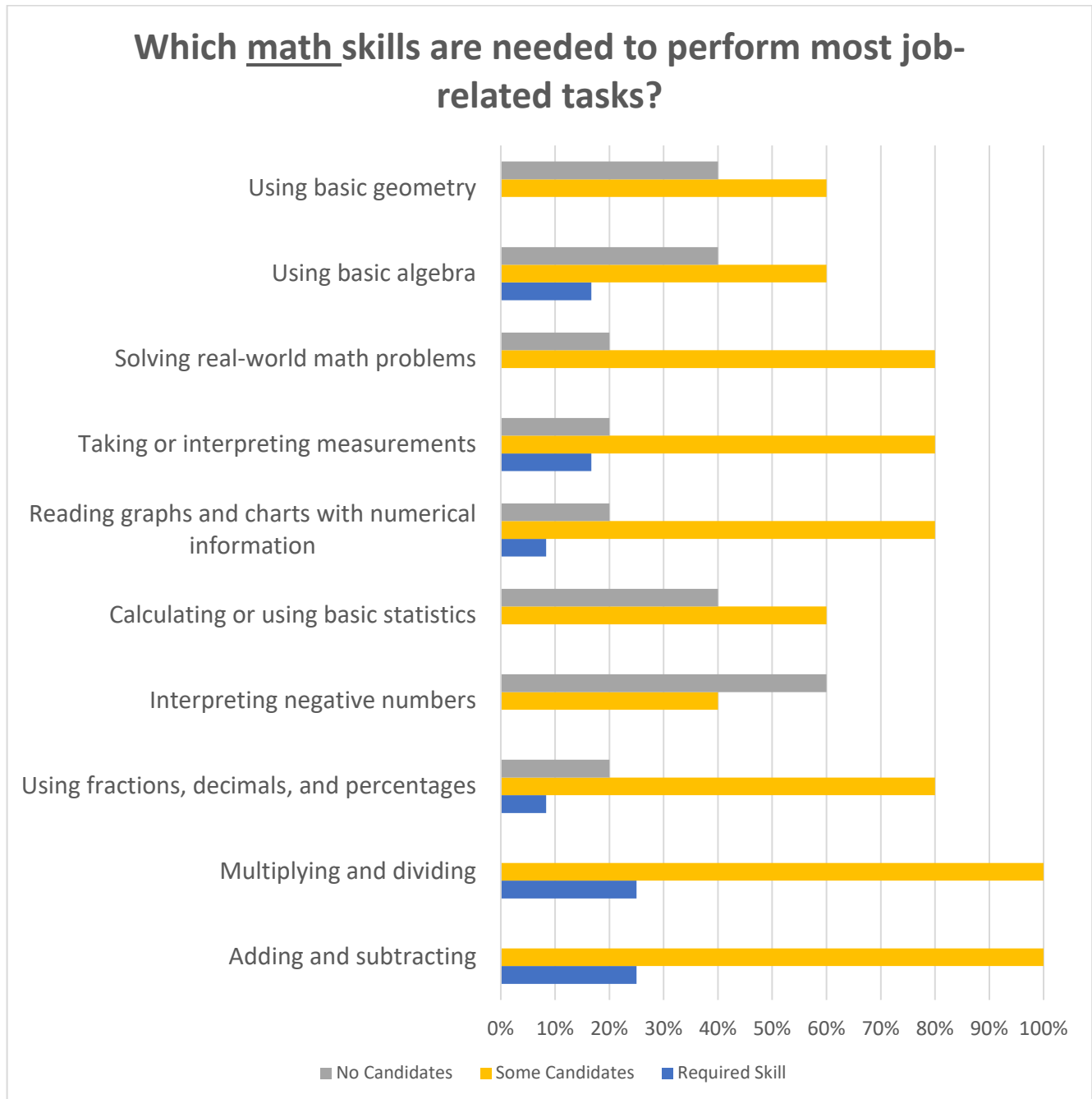


The BIA already serves as an information and resource hub for the employer base on both sides of the border – US/Mexico, New Mexico/Texas. Workforce Connections would be well served to have a point person in the south county office to work directly with the BIA on building out an infrastructure of talent identification, recruitment, training, and transition of the workforce in the area. Community Action Agency with a strong south county presence and the Thriving Families initiative, may also be of great benefit to this developing “ecosystem” of talent in the southern part of the county.

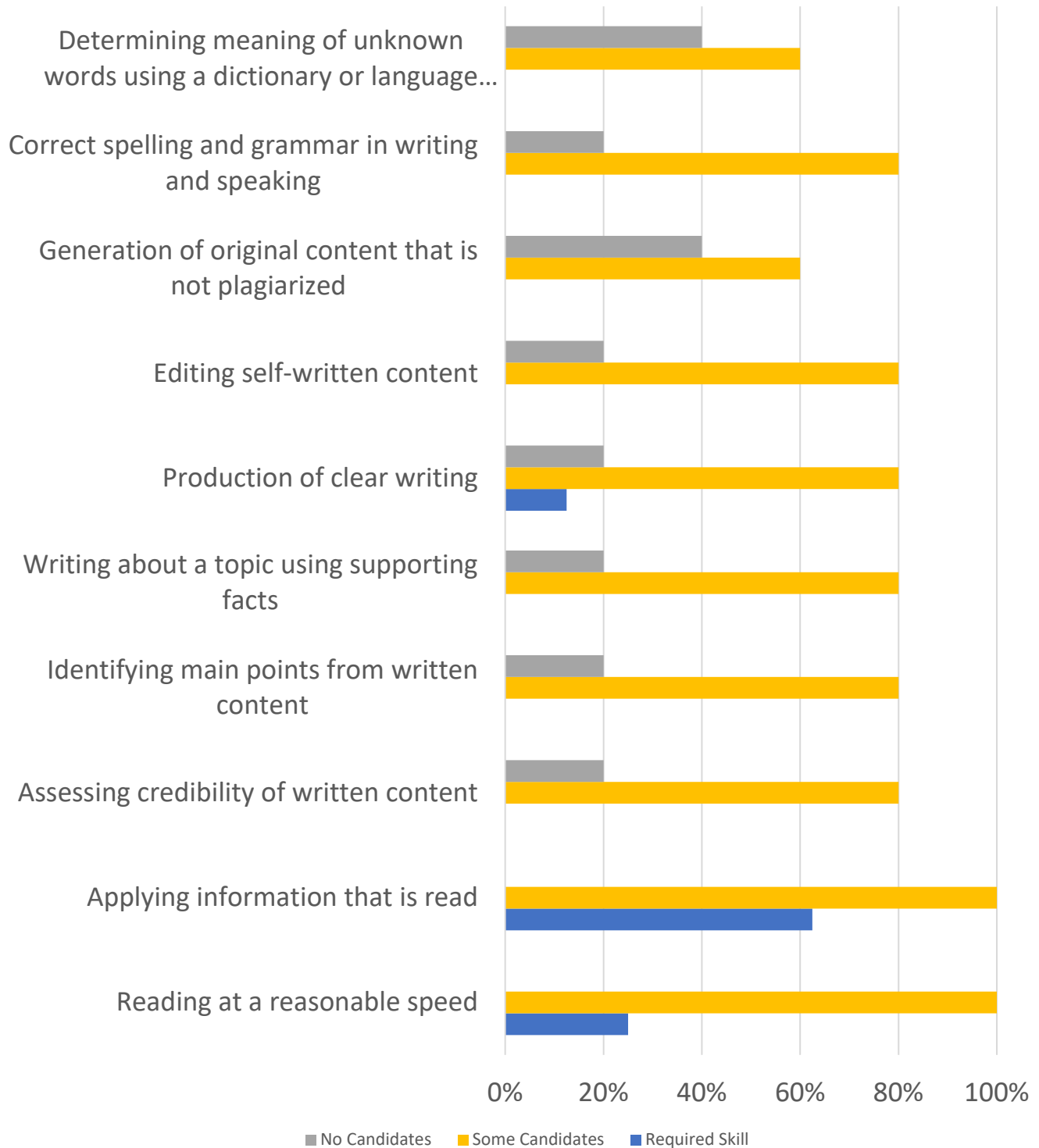
With a more clear understanding of the real needs and opportunities of this industry and structuring the assets in a coordinated, cohesive, easy-to-navigate way, we will ensure that both employers and their greatest resource – their people – have everything they need to succeed.

## APPENDIX

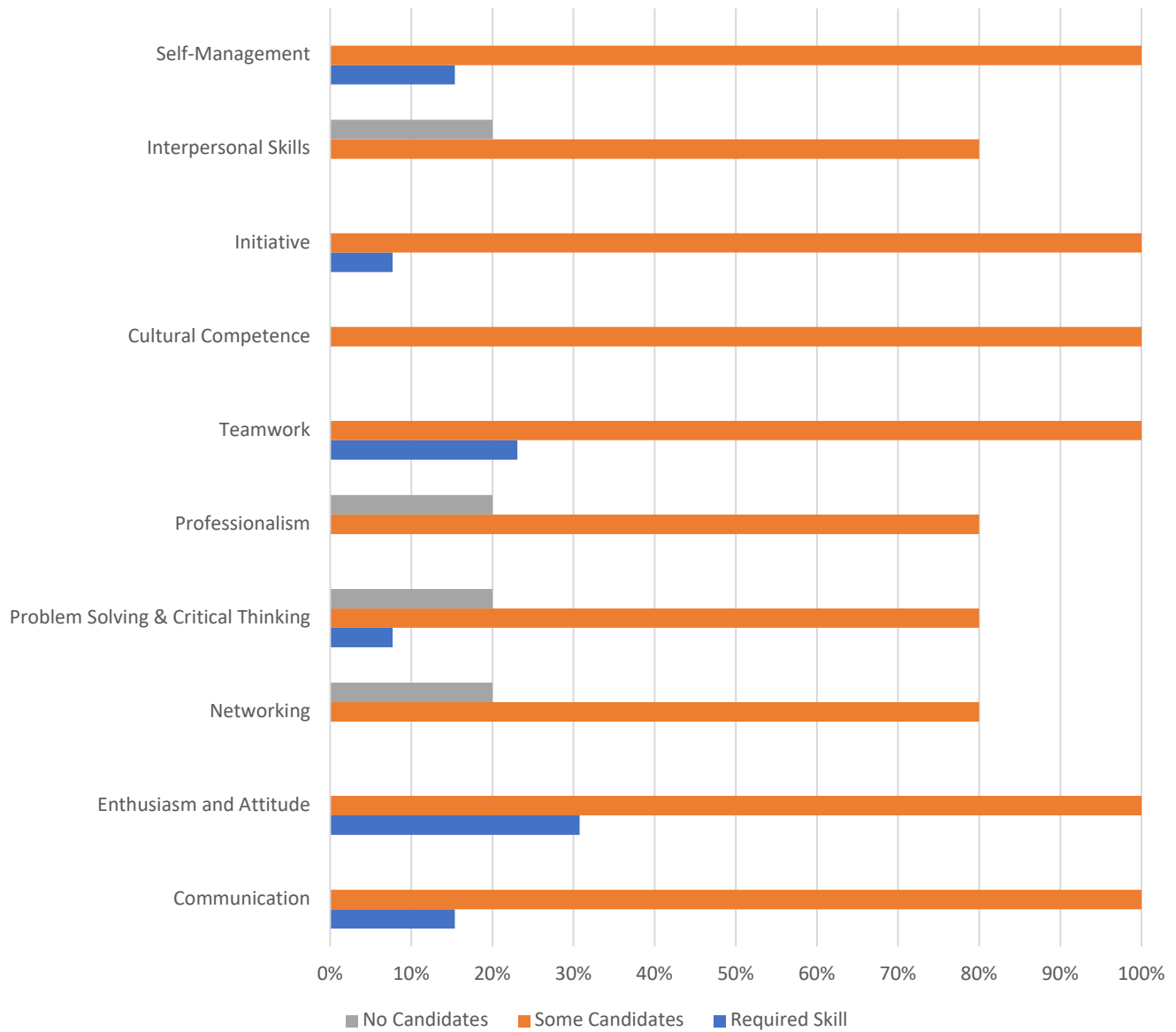
Following are the survey results of the Roundtable that show the alignment between the skills required by employers and the skills candidates seem to be able to demonstrate. Respondents were able to choose from three categories: Most, Some, and None relative to candidate proficiencies. Several of the categories indicate employers didn't choose Most for some of the categories they see.



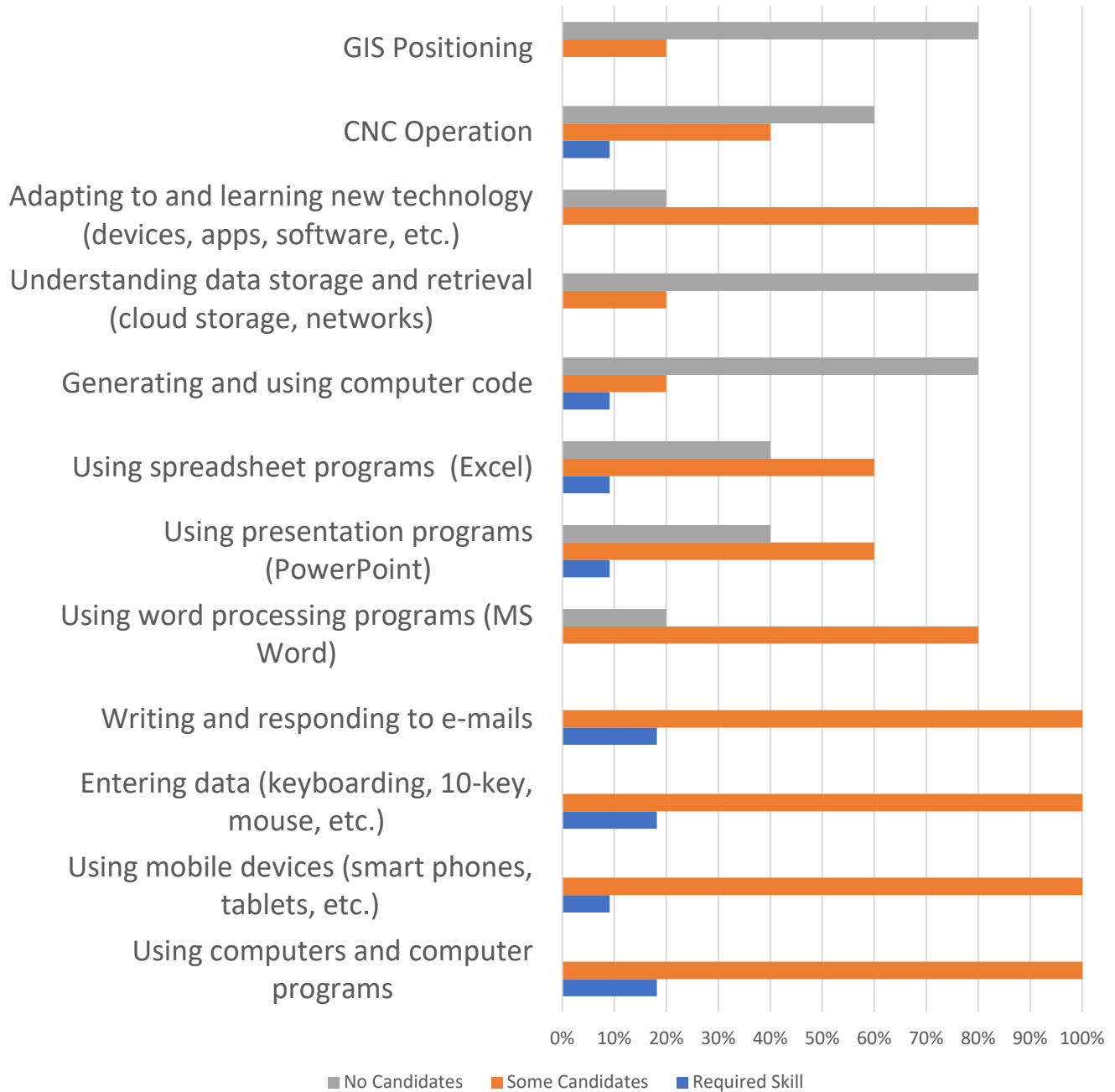
## Which reading, writing, and language skills are needed to perform most job-related tasks?



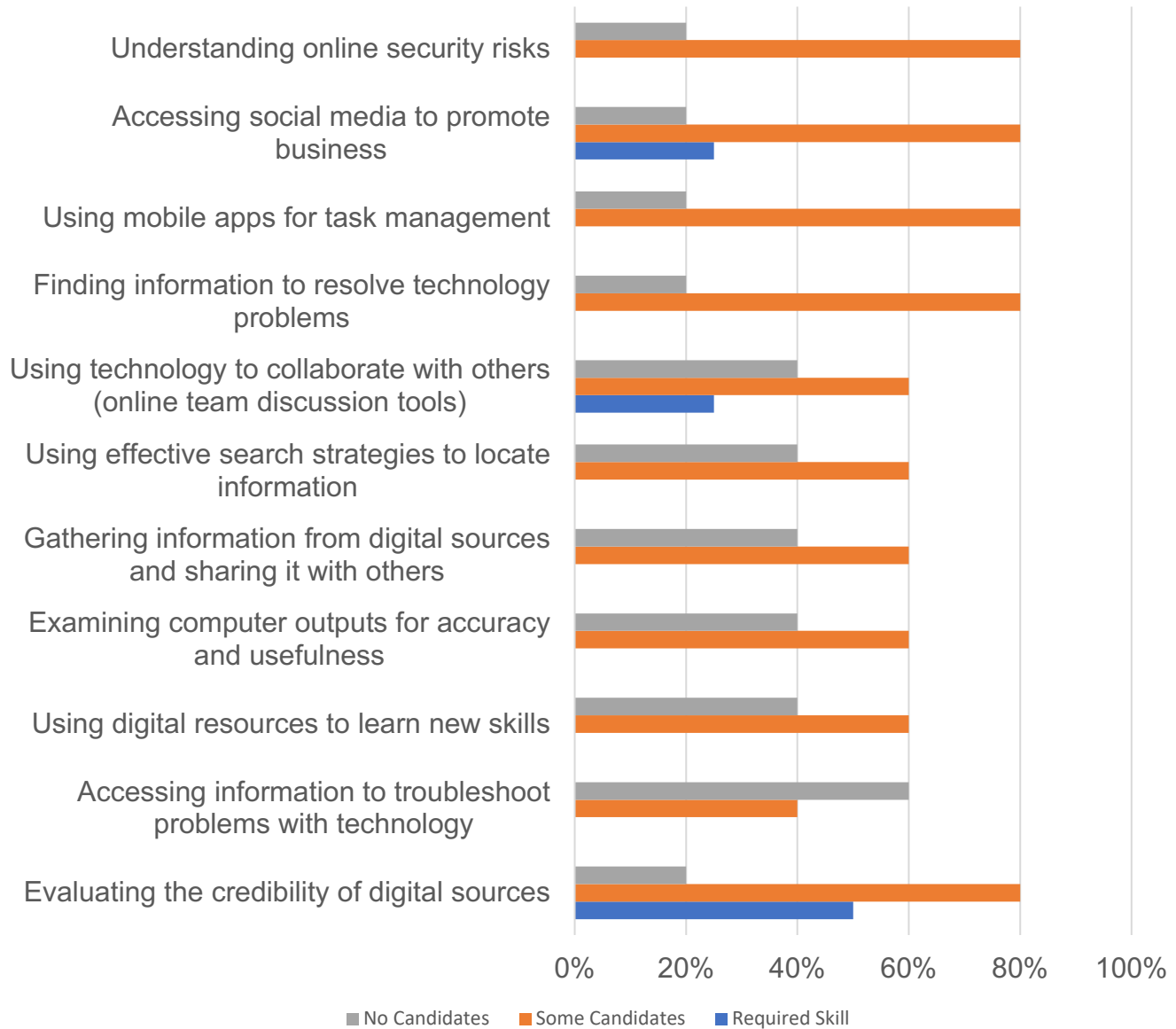
## Which of the following employability skills are needed to perform most job-related tasks?



**Which of the following technology skills are needed to perform most job-related tasks?**



**How many jobs in your business/company require a basic mastery of the following digital literacy skills to perform job-related tasks?**





# INTERNATIONAL TRADE INDUSTRY ROUNDTABLE

## A Special Thank You

We are deeply grateful to the team of leaders who served on our Industry Roundtable. Their commitment of time, wisdom, experience, and their spirit of innovation provided us actionable intelligence to holistically prepare our New Mexico True Talent to be ready for some of the best jobs in our county. We look forward to our continued partnership!



**The Bridge of Southern New Mexico**

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