

# Shifting Workforce Development into High Gear

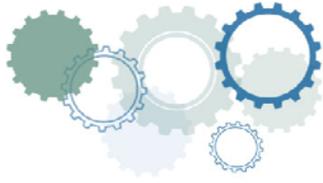


ECONOMIC DEVELOPMENT  
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*International Economic  
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## How Economic Developers Lead Workforce System Alignment





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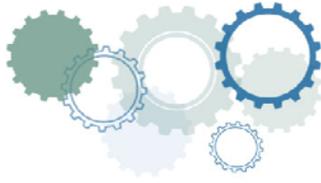
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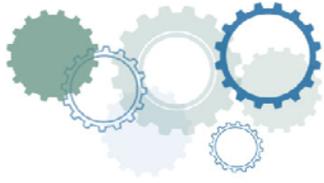
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The EDRP Program is the “think tank” component of IEDC, designed to help economic development professionals weather the challenges and grab opportunities from economic changes affecting our communities. EDRP members are leaders in the field of economic development, working through this program to improve the knowledge and practice of the profession.

IEDC would like to thank the Economic Development Research Partners program for providing the impetus and resources for this project.

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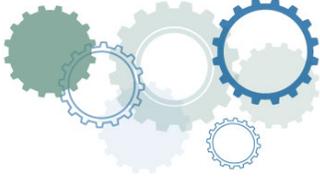
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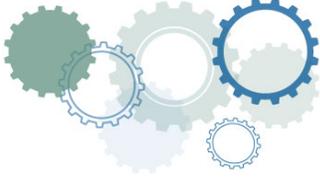
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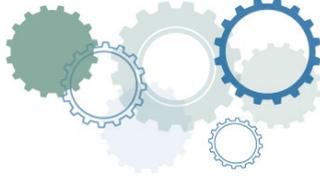
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## Acknowledgements

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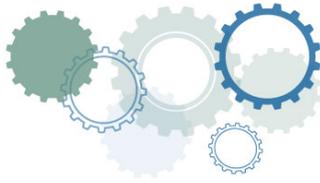
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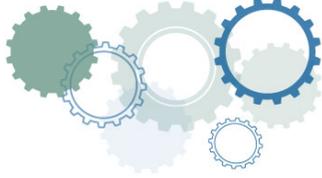
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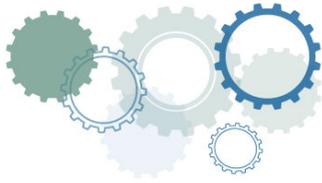
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## Overview

When factories relied on natural resources to fuel steam engines and heat steel crucibles, it would have been incomprehensible to locate anywhere water or coal was in short supply. Workers were often ancillary to production; automated processes divested production from skill. Relegating a worker to a specific task on an assembly line allowed for mass production, and decreased costs, especially compared to products created by skilled artisans.

If the presence of a large pool of cheap, unskilled workers once helped attract manufacturing companies, today it will discourage rather than attract businesses.<sup>1</sup> It is not enough to have the raw material of people; businesses' success is dependent on their employees' skills and abilities. Today, people are the ultimate resource. Business location decisions are increasingly based on the presence of a talented workforce.

### Concern Regarding Quality and Quantity of Workforce

The flow of the labor pipeline is slowing and changing. Both quantity and quality are affected: Businesses are facing a situation wherein older, highly skilled workers are retiring and the pool of replacement workers is both smaller and generally less qualified.<sup>2</sup> Decreased birth rates have slowed growth in the prime working-age group of 25- to 54-year-olds, and baby boomers have begun a massive wave of retirements.<sup>3</sup> Furthermore, rates of college degree attainment are decreasing, while positions requiring higher skills are growing.<sup>4</sup>

Though college degrees are not necessarily an indicator of a quality workforce—especially as education changes to provide opportunities for upskilling outside of traditional means—they do serve as a proxy for determining the skill level of a workforce. At the same time, positions requiring complex skill levels are increasing. The U.S. Department of Education estimates that 60 percent of all new jobs created will require skills only 20 percent of the current workforce possesses.<sup>5</sup>

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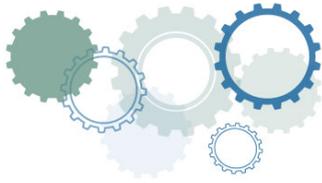
<sup>1</sup> Shari Garmise, *People and the Competitive Advantage of Place: Building a Workforce for the 21<sup>st</sup> Century*, (Armonk, NY: M.E. Sharpe), 2006, p. 9.

<sup>2</sup> William G. Castellano, "[Welcome to the New Normal of Talent Management](#)," *Financial Times Press*, September 25, 2013. Retrieved December 12, 2014.

<sup>3</sup> U.S. Department of Labor, Employment and Training Administration, High Growth Job Training Initiative [Identifying and Addressing Workforce Challenges in America's Energy Industry](#), (Washington, DC: Department of Labor, 2007), 2007, p. 1.

<sup>4</sup> Castellano, "Welcome."

<sup>5</sup> Castellano, "Welcome."



## What Does This Mean for Economic Development?

For economic developers, the nationwide mismatch between jobs and workers translates into a business attraction, retention, and expansion issue. Communities without a talented workforce cannot compete when the most important factor in company relocation or retention is human talent. This is a game-changer for economic developers; tools such as tax incentives and utility or land deals are no longer enough to entice businesses.

## Economic Developers as the Catalyst on a Regional and Local Level

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To date, federal workforce development policy has focused mainly on supply-side strategies, rather than demand-side approaches. Supply-side approaches develop human capital in order to provide the labor market with a steady stream of skilled individuals, but do not take industry's demand for workers into account.<sup>6</sup> This imbalance has created a pool of workers who have been trained, yet may not possess the skills employers seek. Transitioning to a demand-side view of workforce development requires re-balancing the system to serve the needs of businesses *and* workers.

Moving workforce development into a more demand-driven system requires an examination of the underlying assumptions that guide each different part of the system. Scholars Robert Jacobs and Joshua D. Hawley identify three different partners in workforce development—the Workforce Investment Boards (WIBs) and educational community, businesses, and community and economic developers. They explain that WIBs and educational institutions approach workforce development from the perspective of the “sustainable economic security of the individual.”<sup>7</sup> In contrast, employers approach workforce development focused on the skills their business or industry needs to remain competitive in the global marketplace.

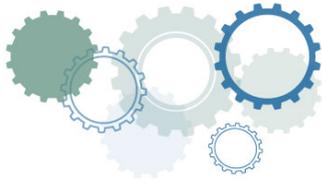
According to Jacobs and Hawley, community and economic developers tend to approach workforce development from the societal perspective, concentrating on what benefits the sustainable economic growth of a community or region. Therefore, economic developers are in a position to link the individual-focused perspective with the organizational one.<sup>8</sup>

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<sup>6</sup> Elisabeth Jacobs, [\*Principles for Reforming Workforce Development and Human Capital Policies in the United States\*](#), (Washington, DC: Brookings), 2013.

<sup>7</sup> Lyn E. Haralson, “What is Workforce Development,” Federal Reserve Bank of St. Louis. Retrieved January 10, 2015.

<sup>8</sup> Haralson, “Workforce.”



## Demand-Side Workforce Development Comes of Age

In recent years, local examples of demand-driven workforce solutions—known as sector partnerships—have aligned workforce and education partners around the needs of industry and improved outcomes for employees and workers alike. Academics, practitioners and researchers at national think tanks, such as the Aspen Institute and the National Skills Coalition, have brought national attention to these examples, with the result of influencing policy on local, state, and national levels.

As primary liaisons with the business community, economic development organizations (EDOs) have an essential role to play in linking business needs to workforce development efforts. Past IEDC reports have focused on the need for EDOs to partner with local WIBs to engage the education and business sectors in comprehensive local and regional strategies. The recently passed Workforce Innovation and Opportunity Act of 2014 (WIOA) institutionalizes the importance of economic development to workforce development, providing opportunities for economic developers to further influence state and local workforce activities.

Federal policy changes such as WIOA present the opportunity for EDOs to become more involved in the workforce development system. Transitioning to a demand-side view of workforce development requires re-balancing the system to serve the needs of businesses *and* workers.

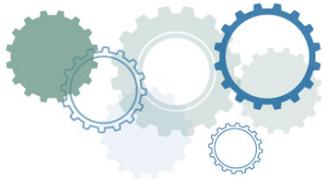
## Case Study Summaries

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Short summaries of six case studies are included below. These case studies profile economic and workforce development organizations that are using innovative and effective practices to improve workforce development outcomes in their communities.

### **Workforce Development Council of Seattle-King County and the Economic Development Council of Seattle and King County**

The Workforce Development Council of Seattle-King County and the Economic Development Council of Seattle and King County work closely together to provide a pipeline of workers to targeted industries and incent business attraction through targeted training programs. They have partnered to conduct workforce needs analyses of major industries, such as manufacturing and maritime industries, as well as to implement state workforce grants in an effort to attract new companies.



### **Tulsa Regional Chamber**

Starting in 2008, the Tulsa Regional Chamber engaged with CEOs for Cities, which afforded opportunities ranging from funding to entering the Talent Dividend Prize Competition. Through this engagement, they have initiated several successful programs and collaborations, which the Chamber continues to leverage. One successful initiative that continues to influence their work is a comprehensive analysis of workforce, education and training systems.

### **Switzerland County Economic Development Corporation**

The Switzerland County Economic Development Corporation leveraged the investment of the Lilly Endowment, Inc.'s Economic Opportunities through Education by 2015 project to establish a new training center and run a marketing campaign to change the community's understanding of education and training. The group is pioneering new ways to upskill a population with a low educational attainment through new partnerships with educational institutions.

### **Mahoning and Columbiana Training Association**

The Mahoning and Columbiana Training Association, a local WIB in Ohio, works collaboratively with regional partners across state lines, and has developed streamlined service delivery for businesses facing worker shortages. With the resurgence of advanced manufacturing in their region, one of these services is outreach to local high schools to explain the benefits of a career in the field.

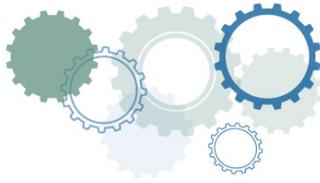
### **CareerSource Palm Beach County**

CareerSource, Palm Beach County's Workforce Investment Board, has engaged with partners (including local EDOs, colleges, and the county's school board) to increase the alignment between training, job placement, and industrial recruitment. CareerSource has also adopted a number of private-sector methods to increase efficiency and improve engagement with local employers.

## **What You'll Find in This Report**

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This paper is designed to give economic developers a comprehensive understanding of how workforce development is carried out and how they can shape their role in this important task. An in-depth profile of sector strategies provides background and validation for this approach. A survey of economic developers follows, which shows how IEDC's network view their role within workforce development. The survey results are followed by an overview of how economic developers can engage in state and local workforce systems, then six case studies showcasing how economically focused workforce development systems are working in communities. Then,



the different players within the workforce system are considered, along with a history of workforce development policy. This is followed by an in-depth analysis of WIOA. Finally, specific workforce problems faced by economic developers are examined.

## Sector Strategy Approach

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Over the past several decades, innovative programs linking the needs of targeted industry with educational and workforce development systems have proven to benefit both businesses and job seekers. This approach is known by the terms “sector strategies” or “sector partnerships.” It expands opportunities by engaging employers, workforce development agencies, and educational institutions to develop a deeper, more lasting dialogue on workforce development.

The collaborators in these systems are diverse. A definition of sector strategies from the National Governors Association (NGA) showcases the variety of entities engaged: “Sector strategies bring together employers within one or more industry with government, education, training, economic development, labor, and community organizations to focus on workforce needs within a regional labor market. At the state level, they are policies and investments that support the development of local sector partnerships.”<sup>9</sup>

Sector approaches can break down the silos that form between WIBs and business for a more efficient workforce development system. As NGA points out,

Without a way to maintain an ongoing dialogue with industry, government programs cannot adequately understand industry needs, facilitate learning between related businesses, or formulate effective workforce solutions. Subsequently, employers look elsewhere to address their workforce needs, and public systems lose out on opportunities to connect workers to good jobs and keep strong industries in their regions.<sup>10</sup>

Ongoing dialogue leads to trust, mutual understanding, and eventually, partnership among WIBs, businesses, schools, and other regional workforce partners, such as EDOs. These partnerships are at the core of a sector approach.

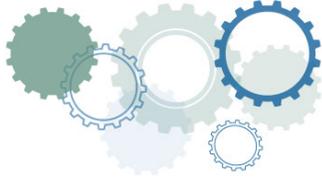
### Defining Sector Strategies

Sector strategies are heterogeneous and known by many names, including industry partnerships, industry training consortiums, skill panels, regional industry strategies, and

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<sup>9</sup> Lindsey Woolsey and Garrett Groves, [State Sector Strategies Coming of Age: Implications for State Workforce Policymakers](#), (Washington, DC: National Governors Association Center for Best Practices), 2013, p. 2.

<sup>10</sup> National Governors Association, [“State Sector Strategies: Regional Solutions to Worker and Employer Needs,”](#) [Press Release], November 9, 2006.



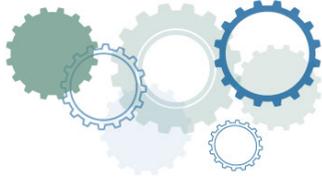
regional cluster strategies.<sup>11</sup> In a recent paper, the National Association of Workforce Boards (NAWB) made the distinction between sector strategies and sector partnerships. It defined sector strategies as targeted programs to meet the needs of specific industries. By contrast, sector partnerships are similar to sector strategies, but with an infrastructure and more permanent objectives in service to enhancing an industry's competitiveness.<sup>12</sup> The authors of this paper use the term *sector strategies* to refer to the practice of working with many different partners, in any capacity. However, NAWB's distinction is useful to illustrate that there are levels of engagement with sector strategies. The first step is convening all partners, but successful programs continue efforts with ongoing coordination.

Sector strategies are an increasingly popular model for workforce development. They can target high-growth, high-technology industries---such as information technology and biotechnology---just as equally as lower-profile industry sectors, such as manufacturing, construction, hospitality, food production, and printing. Economic developers have an essential role in executing sector approaches because of their unique position between the public and private sectors.

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<sup>11</sup> Woolsey and Groves, "Coming of Age."

<sup>12</sup> Sallie A. Glickman, Tim Aldinger, and Julian Roberts, *Workforce Investment Act 101: A Toolkit for Elected Officials*, (Washington, DC: National Association of Workforce Boards), 2010, p. 40.



## Survey of Economic Developers

Economic developers' engagement with workforce development varies greatly. While some EDOs consider it to be a major issue warranting resources and staff time, others see it as the responsibility of separate groups. To take stock of how economic developers currently influence workforce development, a survey was designed to explore how economic developers engage in sector strategies.

Survey results indicate several trends. First, to counteract demographic and economic shifts, the most effective workforce development systems are **regionally focused**, to account for an economy no longer tied to specific geography. The roles that economic developers see for themselves are to proactively **identify** future business needs; to be **supportive** of partners and programs; and **utilize information** to connect workers with jobs.

### Survey Methodology

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The survey was conducted from September to November 2014. IEDC's database of members and non-members was invited to participate. The survey was promoted at IEDC events and through social media. A total of 153 total responses were gathered via Survey Monkey.

### Survey Design

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The survey consisted of 10 questions, eight of which were related to workforce development topics and two of which inquired about demographic data. The topical questions dealt with economic developers' perception of workforce development trends over the past three years and their involvement with workforce partners. One main objective of the survey was to understand what roles economic developers see for themselves and which responsibilities they leave to other groups.

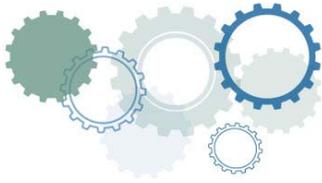
Write-in boxes followed each multiple-choice question so that survey respondents could explain their answers more thoroughly.

### Survey Findings and Results

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#### **Question 1: How does workforce development rate as a priority for your organization?**

As shown in Figure 1, workforce development ranks high as a priority in the majority of responding EDOs. Nearly 64 percent of ED professionals (97 respondents out of 152) indicate

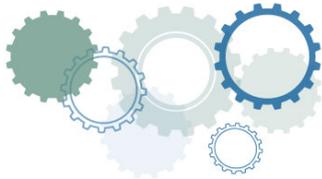


that workforce development is one of their top three priorities, and 32 percent (n=49) report the issue as a concern but not on their “top three” list.



Figure 1: Workforce development as a priority

In the write-in boxes, survey respondents explained their answers further. Even among those who indicated that workforce development was not a priority concern, some respondents commented that its importance is growing in their organizations. Other respondents shared that they are conducting workforce-related activities by collaborating with local and regional workforce partners and educational institutions. Selected responses are noted below.



**Economic developers speak.**<sup>13</sup>

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“We are not responsible for workforce development, but we work very closely with the system in our region. Our regional partnership is responsible for leading efforts to achieve 60 percent of the workforce with a credentialed skill, two year degree, or four year degree by 2025.”

- *John Sampson, Northeast Indiana Regional Partnership (Fort Wayne, IN)*

“We have five industry partnerships—in IT/Communications, Healthcare, Energy, Manufacturing and Agriculture—that we manage in collaboration with our county Workforce Investment Board. The partnerships are key to employer engagement for our WIB. In 2013-2014, 631 organizations participated in partnership activities; 5,526 individuals participated in initiatives; and 3,112 youth were served, all with the help of 673 volunteers from both the public and private sectors.”

- *Marybeth DiVincenzo, Chester County Economic Development Council (Exton, PA)*

“As an issue that is consistently rated by site selectors as one of the top two criteria for companies, we have to be concerned about not only being able to accurately describe the workforce, but also in improving it.”

- *Bill Garrison, Clay County Economic Development Corporation (Fleming Island, FL)*

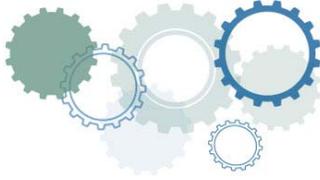
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**Question 2: In the last three years, how has workforce development changed as a priority for your organization?**

The second question was designed to test the hypothesis that workforce development is becoming more important to economic developers. The results showed this to be true, with 72 percent (109 of 152) of respondents reporting that workforce development has become a higher priority for their organization in the last three years. Only 26 percent (n=39) of respondents answered that it has remained at the same level of importance. The results are shown in Figure 2.

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<sup>13</sup> Selected responses edited for clarity.



**Question 2: In the last three years, how has workforce development changed as a priority for your organization?**

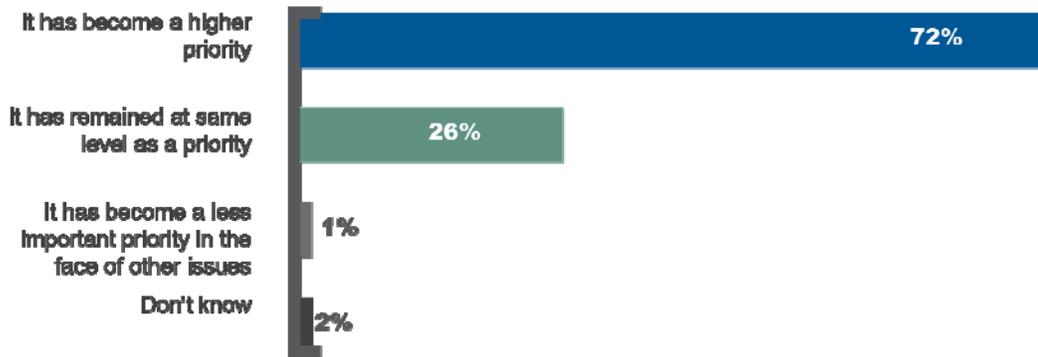


Figure 2: Growing priority of workforce

**Questions 3 and 4: Sorting Activities Under the Umbrella of Workforce and Economic Development**

Question 3 asked the survey participants to select, from a list of 28 activities, those that they believe fall under the umbrella of workforce development. In question 4, the respondents were prompted to indicate which of the same 28 activities they considered to fall under the umbrella of economic development. The graphs below demonstrate how some activities are viewed as falling quite distinctly under one umbrella or the other, while many others are viewed by ED practitioners as being a shared responsibility.

These questions are meant to explore the roles that economic developers see themselves playing in workforce development compared to the roles of workforce developers. The results are displayed in Figure 3.

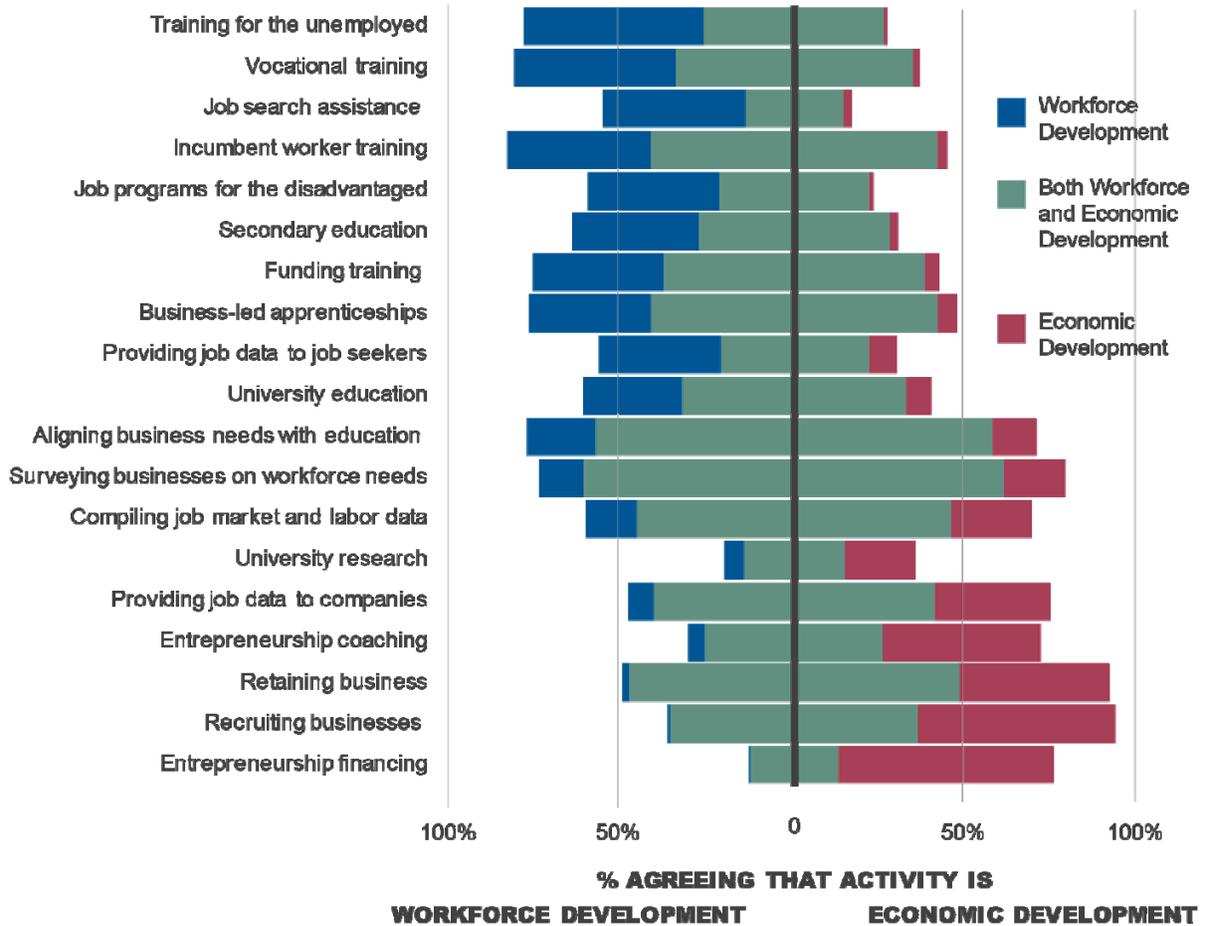
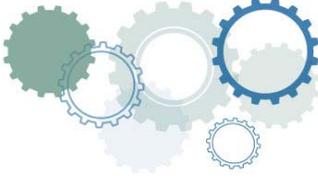
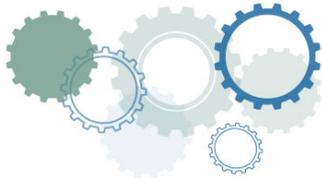


Figure 3: Respondent classification as workforce development, economic development, or both

- The responsibilities that most survey respondents viewed as shared between workforce and economic developers were *aligning business needs with education* and *surveying businesses on workforce needs*.
- The responsibilities that survey respondents viewed as belonging mainly to economic developers were *providing job data to companies*, *entrepreneurship coaching*, *retaining business*, *recruiting business*, and *entrepreneurship financing*.



- The responsibilities most associated with workforce development are *training for the unemployed, vocational training, job search assistance, incumbent worker training, job programs for the disadvantaged, secondary education, funding training, and business-led apprenticeships*. Interestingly, about 50 percent of survey respondents also indicated that *business-led apprenticeships* were the responsibility of economic developers as well.

#### **Question 5: In the last three years, which of the following has your organization done?**

Question 5 was designed to show the extent to which survey respondents' organizations are engaged with workforce development partners and practices. Unsurprisingly, the most common practices that respondents reported were focused on engagement with businesses.

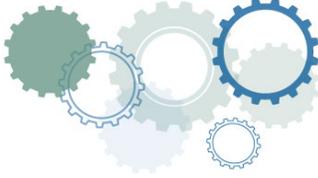
EDOs report actively engaging in workforce development work individually and/or in partnership with relevant institutions. Namely,

- 78 percent actively sought from businesses a list of types of skills they need in workers;
- 82 percent facilitated a dialogue between educational institutions and business regarding workforce needs;
- 71 percent convened discussions between educational institutions, businesses, and WIBs regarding workforce needs;
- 65 percent convened discussions between various educational and training institutions to ensure they offer aligned pathways to credentials and hiring;
- 56 percent used data to forecast future training and job needs; and
- 24 percent operated a job board or job marketplace.

#### **Question 6: In the last three years, how have you engaged with these partners on workforce development issues?**

In question 6, IEDC asked what collaborative strategies partners EDOs used over the last three years when creating partnerships with public schools systems, community colleges, four-year universities, labor unions, local WIBs, state officials, federal officials, or private businesses. The choice of "none" was also offered. The data revealed a combination, although three stakeholders were most commonly mentioned.

- Community colleges were the most frequently cited partners to *conduct regular meetings on workforce development issues* and *convene meetings with business to align skills needs* (66 percent and 61 percent respondents), followed by private businesses (65 percent and 59 percent), and local WIBs (57 percent and 51 percent).
- Similarly, 31 percent of economic developers reported partnering with community colleges, 26 percent with private businesses, and 20 percent with WIBs for *joint training*



*or skills development programs. The same top three partners were indicated regarding jointly operated job search and placement and other workforce development programs.*

- A high percentage of respondents specified that they had not committed to nor received funding from any of the listed partners (57 percent and 55 percent respectively). Some 23 percent of EDOs *committed to or received funding* from public school systems, while 18 percent shared funding with community colleges and 13 percent with WIBS.
- The funding sources appear to be diverse: 25 percent of EDOs report receiving funds from the private sector for one of their programs; 20 percent from state officials; 17 percent from community colleges; and 14 percent from locals WIBs.

### **Economic developers speak.<sup>14</sup>**

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“We have five industry partnerships made up of private sector, education, community and economic development representatives. Each partnership addresses incumbent worker training, business resources, career exploration, recruiting, and hiring.

HIRE ONE is an initiative to improve the connections between employers and job seekers. Ideas x Innovation Network addresses the needs of tech startups. We have numerous youth initiatives. Techies Day links high school students with daylong experiences in tech companies. Girls Exploring Tomorrow's Technology is a conference for girls in grades 6-12 providing hands-on workshops in all aspects of technology. Career Showcases provide high school students with an opportunity to visit area tech companies to experience careers in those companies. We also have a Best Practices Conferences in Healthcare and a Technology Summit.”

- *Marybeth DiVincenzo, Chester County Economic Development Council (Exton, PA)*

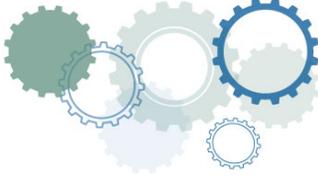
“Middle and high school education programs discuss available jobs and careers in our area. We work with every public school in our county, the university, technology school, businesses, and over 200 volunteers.”

- *Michael Southard, Ada Jobs Foundation (Ada, OK)*

“The job shadowing program for high school seniors is a speed-dating type of program where students rotate from one employer to another each week to gain exposure to various industries and occupations and gain a better understanding of the world of work

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<sup>14</sup> Selected responses edited for clarity.



and workplace expectations and behaviors (soft skills).”

- *Dr. Julie Norman, Marion County Economic Development Commission (Marion, SC)*

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**Question 7: In the last three years, what changes have you observed in policy, funding, and trends in regards to workforce development among education institutions, business, and local and state Workforce Investment Boards?**

An overwhelming majority of respondents noticed greater attention and a sense of urgency regarding workforce development strategies and programs. Respondents remarked upon the following recent trends:

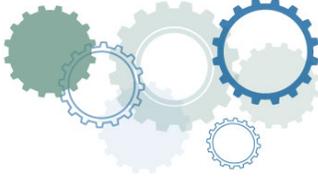
- Increased discussion about workforce development in the public and private sectors;
- Greater focus on long term workforce planning and recruitment;
- Proactivity from primary/secondary educational institutions in the area of workforce development;
- A sense of urgency about the need for future workers;
- Greater effort put on Work Ready Communities;
- Enhanced emphasis on vocational training and skills development;
- Greater emphasis on technical training for advanced manufacturing; and
- Recognition of a need for stronger accountability and focus in programs in order to track outcomes.

Another overwhelming majority reported increases in collaboration among various partners, especially between educational institutions and industry, as well as tailored and focused efforts/initiatives. Specific instances of collaborations mentioned by respondents include:

- State WIBs engaging economic developers in workforce development planning;
- Four-year universities working with private business and thinking outside the box to deliver the workforce that businesses need locally;
- EDOs partnering with middle and high schools in order to encourage locally based vocational training as an alternative to college;
- Public schools being more willing to meet with businesses to align their training programs to the industry needs;
- Stronger collaboration between industry and education; and
- An increased focus on helping industries find the right workers; and
- Engagement between EDOs and WIBs.







### Economic developers speak.<sup>16</sup>

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“I accept ownership of the issue. I assume as much responsibility as the WIB director and school superintendent.”

- *Jacob Everett, Blackford County Economic Development Corporation (Hartford City, IN)*

“The economic developer is still the one professional who can take a macro view of the programs. Educational institutions and businesses have a 'silo' perspective.”

- *Chris Manheim, Manheim Solutions, Inc. (Elgin, IL)*

“I take an active role knowing that if I am able to help develop the programs which can train workers in our community, we will have a strong business retention program, as companies will want to stay in the area, and we will also have a strong attraction program for companies looking for a pool of skilled labor.”

- *Kevin Kramer, Village of Hoffman Estates (Hoffman Estates, IL)*

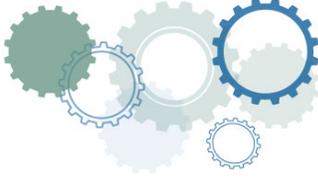
“We are very active in the workforce development system. We believe that our role is to develop an infrastructure that encourages workforce development in support of strong economic development. We have a host of programs that we coordinate with our local school districts. We advise post-secondary institutions on employer needs. We serve an active role on our WIB. We meet with employers through forums and one-on-one meetings to assist them in getting engaged in the workforce system, but most importantly to understand their workforce needs. We also work with employers that are laying off workers to get their skilled workforce re-engaged. We made a commitment at the launch of our workforce initiative not to compete with other providers, but to act as a facilitator.”

- *Ellie Lamison, York County Economic Alliance (York, PA)*

“We facilitate a dialogue and communication between educators and the private sector. We gather data and anecdotal information to make the case for funding/resources. We lobby elected officials to support workforce development programs and investments. Finally, we recruit businesses to work with schools and provide internship/apprenticeship/mentorship opportunities.”

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<sup>16</sup> Selected responses edited for clarity.



- *Angela Visintainer, Caroline Economic Development Corp. (Denton, MD)*

“My bottom line is to align workforce supply and demand. My roles are to lead this effort; to engage all the players; to start and continue the conversations; to educate the players; to monitor the programs; and to sustain this program.”

- *Chung Tan, Fayetteville Chamber of Commerce (Fayetteville, AR)*

“Workforce will be a much stronger priority in 2015. We will conduct a comprehensive labor study to identify our area's labor supply and demand, and then analyze where the gap lies and what can be done to bridge it. We will also launch an external campaign aimed at attracting qualified tech workers to our area. Currently, we have a strong partnership with our local community college, Richland College. A Richland liaison attends our weekly Economic Development staff meetings.”

- *Jenny Mizutowicz, Richardson Economic Development Partnership (Richardson, TX)*

“I serve as the "quarterback" for the team by pulling all the players together to make sure we have our programs and priorities defined.”

- *Tony Kaai, Dension Development Alliance (Denison, TX)*

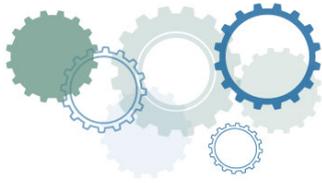
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## Conclusions and Discussion

The survey results show that economic developers are already supporting sector approaches that:

- Are regionally focused;
- Identify future business needs;
- Support partners and programs; and
- Utilize information to connect workers with jobs.

The results of the survey indicate that economic developers are seeing themselves in these roles and are working to create such systems. Importantly, most survey respondents saw workforce development as a legitimate economic development concern. Furthermore, the majority of respondents indicated that workforce development has become a higher priority in the last three years.



## Thinking Regionally

In the survey, a regional focus could be deduced from the respondents' affirmative answers to questions about partnering with many groups. For example, Question 5 was structured to chart increasing levels of engagement with other workforce partners. Of the five choices, facilitating discussion between educational institutions and businesses was the most popular, but it was followed closely by the option of convening discussion between educational institutions, businesses, and WIBs.

In the comment boxes, respondents repeatedly mentioned their partnerships with groups such as educational institutions, state and local WIBs, industry clusters, and labor unions.

## Identifying Future Business Needs

Survey participants understood that there are differing roles for economic developers and workforce developers. They most often identified their roles as engaging with businesses and compiling job market and labor data, both of which align with identifying future business needs.

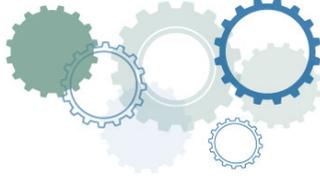
When asked about engagement with workforce partners, respondents showed that business was an important part of the equation. Some 59 percent of respondents indicated they had met with businesses to align skill needs, and 40 percent noted they had done strategic planning with business partners. Both of these indicators scored higher or equal to engagement with other partners in the same category. Economic developers clearly have working relationships with businesses and seek information on how to best serve their workforce needs.

The survey showed that connecting to the private sector is a strength of economic developers, but that identifying future business needs is a challenge that fewer respondents engaged with. In fact, only 56 percent used data to forecast future training and job needs.

## Providing Support

Supporting sector strategies is most often accomplished by taking on a management or funding role. In the discussion following Question 5, the issue of supporting or receiving support from other organizations came up frequently. Respondents wrote of funding scholarship and training opportunities, and financially supporting job boards furnished by other organizations.

Question 6 delved further into how economic developers collaborate with workforce developers. It asked how EDOs have coordinated with public school systems, community colleges, four-year universities, labor unions, local WIBs, state officials, federal officials, and private businesses. Across the board, respondents indicated a commitment to collaboration; conducting regular meetings was very common.



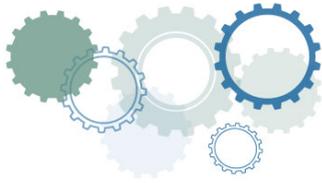
Another indication of economic developers leading collaboration was the high number of respondents who noted that they *conducted strategic planning exercises*. Strategic planning with WIBs was high at 46.1 percent, and community colleges came in second with 44.7 percent. Initiating strategic planning is a key element of managing strategic partnerships, and often results in economic developers taking ownership of administering a successful partnership.

### Utilizing Information

Utilizing information pertains both to economic developers' ability to market their communities' workforce to interested companies and to their ability to connect potential workers to training. Respondents saw themselves in roles such as *marketing job market and labor data to companies*; however, they were less likely to reach out to target populations.

Respondents to the survey largely considered *connecting to target populations* to fall outside of their responsibility. Interestingly, respondents did not place the role of *providing job market and labor data* squarely under the purview of either workforce or economic developers. Similarly, neither online job posting boards nor peer-to-peer mentorship for job seekers fell under the realm of either. Connecting job seekers to training and job opportunities can be carried out or supported by economic developers; in any case, it is a responsibility which needs to be addressed.

The complete survey results can be found in the Appendix.



# The Role of Economic Developers in Sector Strategies

As the survey shows, EDOs recognize that they play an important role in workforce development. EDOs can most effectively engage in sector strategies when they foster connections between businesses and education and training providers. As noted above, in taking a lead role in sector strategies, economic developers should strive to create systems that:

- Are regionally focused;
- Identify future business needs;
- Support partners and programs; and
- Utilize information to connect workers with jobs.

## Regionally Focused

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IEDC's "Workforce Development" manual explains,

Labor markets are often treated and planned for as though they are confined to only one boundary, typically a political one. This is a less efficient approach as labor markets and businesses extend across multiple boundaries, functioning in a complex web of overlapping spaces and networks.<sup>17</sup>

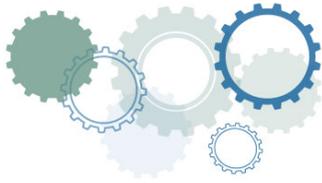
As a National Governors Association report notes, "Job seekers do not recognize artificial geographic boundaries in the labor exchange process."<sup>18</sup> Neither do businesses. Therefore, economic developers engaging in sector strategies should recognize the cross-jurisdictional nature of labor markets, despite misalignment between the jurisdictions of individual WIBs, EDOs, school boards and other partners.

As sector-focused programs are started, engaging all partners across a region can be a challenge. In that case, starting small—by engaging just one or two important partners—can be a good strategy. Once results of this smaller program have been proven, then other partners can be engaged, thus growing the small program into a true partnership. In many of the case studies, small programs instigated by one EDO have grown into regional or even state programs.

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<sup>17</sup> Shari Garmise, Shari Nourick, Swati Ghosh, Christopher J. Girdwood, Liz Thorstensen, and Ian Bromley, *Workforce Development*, (Washington, DC: International Economic Development Council), 2011, p. 4.

<sup>18</sup> National Governors Association for Best Practices (NGA), National Network of Sector Partners, and Corporation for a Skilled Workforce, [\*Accelerating State Adoption of Sector Strategies\*](#), (Washington, DC: National Governors Association), 2008, p. 2



## A Regional Approach to Industry

Engaging businesses in sector strategies is essential, but the focus must be on regional industry groups or clusters, rather than on individual companies. Programs developed with this approach recognize the challenges and needs shared across an entire industry. The industry focus makes the strategy more cost-effective, scalable and stable over time.<sup>19</sup>

Furthermore, building training programs around industries ensures that graduates of the programs are prepared for a range of jobs and more adaptable to industry changes. As these training programs grow, certifications and credentials can be added, as can more advanced training and higher education options.

## Seeking Partners Regionally

EDOs seeking to initiate sector strategies should cast their nets wide. Partnerships can be sought with workforce intermediaries, community organizations, faith-based organizations, business groups, industry associations, community colleges, vocational schools, social services, local governments, and worker advocacy groups such as unions. These groups have a deep understanding of local labor markets, and may offer multiple funding streams and unique resources to workforce development. Moreover, strong, multilateral partnerships tend to increase community buy-in and lead to better program design.

## Tactics for Developing Regional Sector Strategies

- Plan for cross-jurisdictional engagement;
- Start small, prove results, and ramp up by engaging regional and/or state partners;
- Concentrate on industry, rather than individual companies; and
- Seek a broad range of partners.

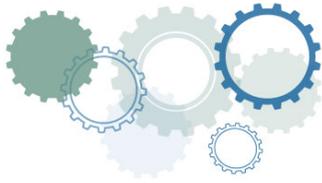
## Identifying Business Needs

One of the most valuable assets an EDO can bring to a sector strategy is employer relationships that result in an understanding of the target occupations and available jobs.<sup>20</sup> An effective EDO will have a strong and trusting relationship with businesses through which it can facilitate information-sharing with educators and training providers. Economic developers already build these business relationships through common practices such as business retention and expansion surveys, and ongoing service to local firms.

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<sup>19</sup> NGA et al., *Accelerating*.

<sup>20</sup> Sheila Maguire, Joshua Freely, Carol Clymer, Maureen Conway, and Deena Schwartz, [Tuning In to Local Labor Markets: Findings from the Sectoral Employment Impact Study](#), (Philadelphia: Public/Private Ventures), 2010.



## Engaging Partners

The economic developer's role as the liaison between business and training providers is documented in both the survey and the case studies in this report. Many of the organizations profiled in the case studies noted the importance of sector partnerships which have one point of contact with the private sector. Businesses can get fatigued if constantly approached by many training providers, educational institutions and EDOs. EDOs are a natural fit as the main point of contact to industry; they can leverage their existing relationships and report training needs back to WIBs and education institutions.

A survey on the topic of workforce development can be built into an EDO's business retention program. Questions about skills gaps, employee retention and turnover, and plans for expansion can inform economic developers about potential workforce issues. This qualitative data can be used to predict short-term job needs. However, it is important to note that issues raised by qualitative data-gathering (such as surveys and focus groups) may be short-term—for example, a business may need seasonal employees, or be facing the retirement of a key executive. Depending on the severity and nature of short-term needs, EDOs may reach out to WIB or education partners to undertake a sector strategy.

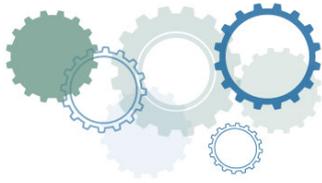
## Utilizing National Data Sets

Data from local employers may also indicate the need for the larger, more systemic approach of a sector partnership. For example, if employers in the same industry report difficulty in finding skilled workers, it may indicate that an integrated training program is needed. Thus, education partners should be engaged to develop these training programs, and an ongoing dialogue between industry and training leaders should ensue.

When developing industry-centric training programs, both the feedback of local industry leaders and a national perspective should be included. One way to gain insight on local, state, and national levels is to consult industry associations. Industry associations can provide data specific to their field on upcoming workforce needs. They can also provide information on industry-recognized certification and licensure.

Indications of skills shortages from local employers can be further vetted by local and national predictive data. This is where the unique resources of economic developers come into play. Analysis and forecasting of a community's economy feeds into an EDO's strategic plan and helps to prioritize initiatives. The knowledge of which industries are growing locally can catalyze sector strategies.

Economic analysis is typically conducted through national data sources such as the Bureau of Labor Statistics (BLS), the Census Bureau, and other tracking measures. These sources are essential to assessing growth industries. Using this information, economic developers can



provide approximations of future employment by economic activity, estimations of employment by occupation and estimations of training needs by occupation and skill level.<sup>21</sup>

### The Potential of Big Data

Excellent workforce analyses have been created with national, regional, and local sources of labor market information such as BLS and the Census. But these essential resources also have limitations; data is not up-to-the-minute, and can be many months old (if not years, in the case of the Census). Furthermore, the data are organized by the North American Industry Classification System (NAICS), which is divided by industries and occupations, but does not detail skill and certification requirements for each.<sup>22</sup> While the BLS does provide some services for job seekers to learn about job capabilities, such as ONET, the data are not reflective of fast-changing job requirements.

Data analysis also can be used to gauge workforce demand. Companies such as Burning Glass Technologies and Economic Modeling Specialists Inc. scour national and regional job postings to identify the skills, experiences, and credentials that are in demand. Such fine-grained data can help to focus workforce efforts on the particular skill and certification requirements that targeted employers are currently demanding.

### Tactics for Identifying Future Business Needs

- Leverage existing business relationships to access data on future workforce needs through business retention and expansion programs and other surveys.
- EDOs should serve as a key point of contact between industry and training providers.
- Survey results should be backed up with data from national sources. If needed, big data analysis can detail the skill sets, certification requirements, and hiring key words for industry.

### Supporting Partners and Programs

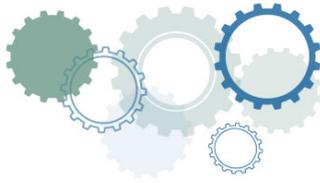
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EDOs can most effectively support sector strategies through a management role and connecting programs to funding. While these two responsibilities can be linked, there are examples in which an EDO manages a sector strategy but is not responsible for funding, and vice versa. A typical set-up for sector strategies involves foundation funding. Both the Switzerland, IN, example and the Tulsa Regional Chamber's program (detailed in later case studies) centered on foundation funding for EDOs to manage workforce development programs.

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<sup>21</sup> Bureau of Labor Statistics, "[Projecting Tomorrow's Workforce Needs](#)." Retrieved January 2, 2015.

<sup>22</sup> Burning Glass, "[Solutions for Economic Developers](#)." Retrieved January 4, 2015.



## Management Role

As sector approaches evolve from initial engagement with employers and trainers into integrated workforce systems, the role of economic developers within them changes. EDOs may move from connecting various entities into assuming management roles for complex workforce sector partnerships.

Often, they will assume ownership of program metrics, convenings, and administration, a task described in one case study as “monitoring the dashboard.” EDOs in this position can help assure that the individually focused goals of WIBs and training partners are met, as well as the needs of business.<sup>23</sup> As explained in the recently released EDRP report, “Raising the Bar Together: Successful Strategies for Workforce and Economic Development Collaboration,” partners working together on comprehensive workforce systems may have different metrics, but should rally around a shared vision.

## Structuring Partnerships for Success

Successful partnerships are structured around shared visions. This vision should support approaches to workforce and job training that focus on, and respond to, broader regional economic development activities, projects, and goals.<sup>24</sup> A partnership’s vision should be explained in a detailed strategic plan that spells out goals and objectives, as well as partners and their responsibilities. Stemming from this strategic plan, the partnership should identify resources, deadlines, and metrics.

Taking advantage of their ties to many different partners, economic developers can be the keepers of these metrics, helping partner groups stay on task despite different funding streams and reporting mechanisms. For example, businesses may agree to offer a certain number of apprenticeships, while economic developers can help ensure that these slots are filled. Education providers may commit to training students to an agreed-upon level of skill; economic developers can take the lead in collecting student analytics.

Sample metrics include:

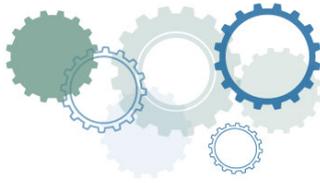
- Provision of work-based learning opportunities and/or commitments to hire program graduates;<sup>25</sup>
- Creating requests for proposals between industries and training providers; and
- Ensuring that job-driven training programs make it easy for individuals to transition from one post-secondary program to another, including registered apprenticeship and

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<sup>23</sup>23 NGA et al., *Accelerating..*

<sup>24</sup> Emily Brown and Mishka Parkins, [Raising the Bar Together: Successful Strategies for Workforce and Economic Development Collaboration](#), (Washington, DC: International Economic Development Council), 2013, p. 35.

<sup>25</sup> Brown and Parkins, *Raising the Bar*, p. 8.



occupational training programs, and from basic education programs into post-secondary programs.<sup>26</sup>

## Funding Sources

EDOs have the ability to utilize tax credits and other incentives to support workforce programs. Incentives can be structured to support workforce development metrics built into a strategic plan. For example, a tax credit that facilitates the expansion of a local business can be connected to a metric that ensures the hiring of qualified new workers from a community college training program. One caveat of such an arrangement is that both the business and education provider must be committed to communication and flexibility in creating an effective training program.

Furthermore, EDOs can be the recipients of national and foundation grants that WIBs and educational institutions could not apply for on their own. Foundation grants are often driven by a mission to assist underserved populations. This mandate can add another dimension to sector strategies, but also opens the door to engage local philanthropic organizations with similar missions.

## Tactics for Support

- Strategic planning is at the core of a successful sector partnerships; from this plan, goals and objectives for different partners can be identified.
- EDOs are in an ideal position to convene partners and track metrics.
- Applications for federal and foundation grants are stronger when many partners, including EDOs, are involved.
- EDOs can leverage existing incentives for sector strategy support.

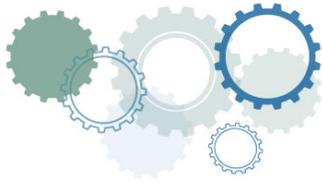
## Utilizing Information

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EDOs can serve as information brokers for sector strategies in ways that other organizations cannot. Because they are not beholden to the same regulatory or political constraints that WIBs and educational institutions must follow, EDOs have more freedom to reach out to both potential trainees and to companies. Furthermore, they are well positioned to serve as the representative for partnerships.

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<sup>26</sup> The White House, [Ready to Work: Job-Driven Training and American Opportunity](#), (Washington, DC: The White House), 2014, p. 9.



## Marketing to Potential Firms

A 2014 survey of company executives by *Area Development* magazine found that availability of skilled labor has become the most important factor in site selection, rising from the third place in 2013.<sup>27</sup> In that same publication, site consultant Phil Schneider explains,

But throughout this ever-shifting landscape of corporate site selection needs, there is one common denominator that the vast majority of companies and site selection projects demand: the need and expectation for a superior workforce. The availability, quality, sustainability, flexibility, and cost of the workforce is the most common critical location factor; it may not always be the number-one factor in the decision model, but is nearly always in the top five.<sup>28</sup>

Being able to offer prospective firms an existing, effective talent development system is a powerful inducement. As shown in a case study example from Seattle, the local workforce development council and the economic development council work together to offer on-the-job training grants to qualified companies interested in locating in the region.

## Marketing to Target Population

Effective partnerships among business, education, WIBs and EDOs must also engage the target population—workers who need to be trained to enter an industry or to advance in their careers. For new training programs, especially those meant to provide a workforce for fast-growing industries, EDOs can play an important role in reaching out to the target population.

Marketing is a role that is often not filled by another partner. Regulations restrict WIBs from spending money on marketing, and other educational institutions such as K-12 or higher education may also have such restrictions, or simply lack the resources. Furthermore, for political reasons, EDOs may be the best conduit for information about jobs in fields that do not follow a traditional path. For example, the case study of the Mahoning and Columbiana Training Association in Ohio shows how an organization can successfully introduce the option of a manufacturing career path in local schools.

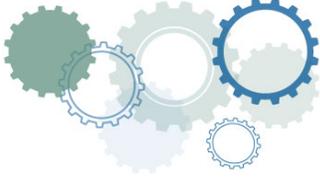
## Tactics for Utilizing Information

- Leverage workforce development programs as an incentive to companies that are prospects for relocation;
- Use EDO marketing skills to reach out to target populations; and
- Disseminate information about programs that differ from traditional educational pathways.

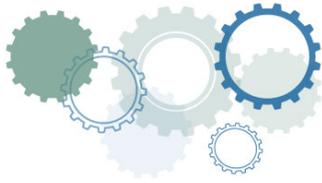
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<sup>27</sup> Dale D. Buss, "[Critical Site Selection Factor #1: Availability of Skilled Labor an Acute Need](#)," *Area Development* (Q4), 2014.

<sup>28</sup> Phil Schneider, "[Workforce: The Location Factor Companies Must Get Right](#)," *Area Development*, (Q4), 2014.



## Case Studies



## Seattle-King County, Washington

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The partnership between the Workforce Development Council of Seattle-King County (WDC) and the Economic Development Council of Seattle and King County (EDC) is an exceptional example of how working together to build workforce pipelines benefits both organizations, as well as the business community. These two partners have worked together to secure federal, state and local funding for sector strategy initiatives.

### **Mutually Beneficial Relationships**

According to Jeff Marcell, former president and CEO of the Seattle-King County EDC, EDOs must think differently in Washington state because they lack the ability to use tax incentives.<sup>29</sup> Marcell explained, “We have to find unique solutions because the simple business attraction strategies do not work for us. We have to look internally to understand industries and how they can be profitable and successful. So it is critical that we work with the Workforce Development Council.”

Marléna Sessions, chief executive officer of the WDC of Seattle-King County, explained that working with the EDC allows the WDC to collaborate more effectively with local partners. The WDC has benefitted from the EDC’s expertise in working with elected officials, mayors, and the legislature, as well as from their ability to market programs and publications.

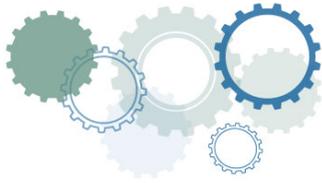
### **Organizational Structure**

Each organization’s leader serves on the other’s board and also helps identify potential board members and elected officials who would support their missions. Sessions and Marcell also met monthly to discuss the state of their organizations and jointly develop solutions. A recent change in leadership at the EDC has not changed the organizations’ close relationship.

Beyond engagement with the EDC, Sessions has purposely stocked the WDC’s board with private-sector members, recruiting CEOs and human resource managers from every sector that the WDC represents. The WDC also convenes sector panels with industry leaders to identify specific workforce issues and recommend short-term and long-term solutions. “We start out by bringing firms which might normally be competitors to the same table, where they can then see that they all have a collective challenge,” Sessions explained. By co-chairing sector panels with industry leaders, the WDC has been able to bring industry-wide workforce needs to the forefront.

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<sup>29</sup> The state, however, has the power to use these incentives, as seen in the 2014 Boeing deal.



## Geographically Aligned

The WDC and the EDC both serve King County, which includes 39 cities and towns. The WDC is one of 12 state Workforce Investment Boards and serves the largest population in the state. According to Sessions, King County's large geographic area and population size require the WDC to focus on regional focused strategies. This big-picture thinking has carried over to collaborations between the two groups. Marcell pointed out that their joint cluster analysis project did not just focus on their region but delivered information for the entire state. He noted, "Industries don't care about borders, and it was important information to deliver to the state."

## Sector Analysis

In order to align workforce efforts with regional economic development, the WDC's board chooses and reviews "focus sectors" every two years. Focus sectors are chosen based on four criteria: economic size and scope, job demand, supply and demand alignment, and potential for impact. Most recently chosen as focus sectors were health care, manufacturing, construction, and information technology. Three other sectors were named as "watch sectors": professional, scientific, and technical services; transportation and warehousing; and financial services and insurance.

The WDC uses regional economic analysis to determine these sectors, then conducts deeper analysis to analyze specific workforce needs. Based on the WDC's focus and watch sectors, it regularly publishes talent resource pipeline studies, including, most recently, for the maritime industry. Designed to be user-friendly for industry leaders and training institutions, the reports detail industry vacancies and related training needs. The reports are distributed to 11 community college partners for use in their curriculum planning and also are publicly distributed.

## Leveraging Federal Resources to Improve Sector Strategies

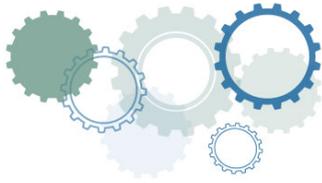
The aerospace industry has been a major driver of King County's economy. In 2011, there were over 650 aerospace-related companies in the state of Washington which directly supported 84,000 jobs in the Puget Sound region alone.<sup>30</sup> The King County Aerospace Alliance was formed to unite local jurisdictions, public-sector groups, business, and labor towards fostering the industry's long-term growth and competitiveness.<sup>31</sup> Both the WDC and EDC are members of the Alliance.

The Alliance has worked with the aerospace industry to understand its labor force needs, and has responded by creating targeted programs to prepare students and workers with the appropriate skills. In this case, the WDC has played the role of funder; training was facilitated

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<sup>30</sup> Jen Horton, Alix Kashdan, Kathy Nothstine, [Strategies to Bolster Economic Resilience: Country Leadership in Action](#), (Washington, DC: National Association of Counties), 2013.

<sup>31</sup> King County, "[King County Aerospace Alliance](#)," December 3, 2014. Retrieved December 12, 2014.



through community colleges, and paid for by WIA funds administered to the WDC. The WDC was able to use \$800,000 of these funds to purchase classes to train machinists and assemblers through community and technical colleges. Through this arrangement, the WDC was able to stipulate the types of training offered, resulting in these classes offering the most cutting-edge training possible.

### **Work Start State Funding**

The WDC and the EDC have also worked together to secure state Work Start grants through the Washington State Department of Commerce. These grants, ranging from \$100,000 to \$200,000, can be used for on-the-job training in the following targeted industries: aerospace; advanced materials; agriculture/ food processing; clean tech; forest products; information and communication technology; life sciences/ global health, and marine technology, as well as locally identified industries.<sup>32</sup> Because the grants can be used for on-the-job training, they are useful as a business retention and attraction tool. The WDC and EDC have collaborated on four of these grants.

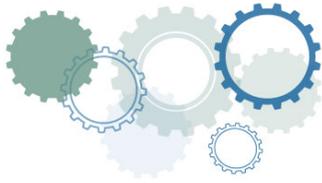
“Through these grants, companies see we are willing to put effort into them,” said the EDC’s current president and CEO, Suzanne Dale Estey. “We compete against other regions of the country and the world that use other kinds of incentives, but with these grants, we can show how we address industry needs.”

### **Conclusion**

The King County approach exemplifies the four elements identified earlier in this report as part of a strong sector approach. The two partners act regionally and identify future business needs through the joint cluster analysis. Through involvement with Work Start grants, they are able to utilize their partnership to access the support of state funds. Additionally, through these grants and other activities, the EDC has information it can use to retain and attract expanding and incoming businesses.

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<sup>32</sup> Washington State Department of Commerce, “[Washington Work Start](#).” Retrieved December 12, 2014.



## Tulsa Regional Chamber of Commerce, Oklahoma

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Recognizing the need for an integrated approach to workforce and economic development, the Tulsa Regional Chamber stepped into the role of streamlining education and training to create a pipeline for growing industries. The Tulsa region's work around workforce development includes a broad base of partners tied to educational pathways; career awareness; demand-driven training and development initiatives with K-12; business and industry; underserved populations and adults with some college education.

### **Tulsa Engages with CEOs for Cities**

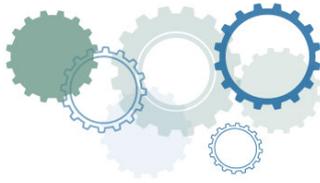
Education and workforce together are one of six strategic initiatives within the Tulsa Regional Chamber. In recent years, the Chamber's Education and Workforce Division efforts were catalyzed by their involvement with CEOs for Cities, a national network they have participated in since 2008. Through this involvement, the Chamber entered the Talent Divident Prize Competition, which was funded by the Kresge Foundation. The prize was to be awarded to the metropolitan area with the greatest proportionate increase in the number of post-secondary degrees over a four-year period. Through their participation in the competition, the Chamber had the opportunity to share and learn from best practices via the "Talent Divident Network," a collaborative learning group of the 57 cities involved in the competition. Although Tulsa did not win the contest, their results in October of 2014 showed a 15.9 percent increase in post-secondary degrees.

Since then, the Chamber has taken on an initiative known as the "Talent Divident Project," with the goal of increasing total degree attainment in the Tulsa area by one percentage point—a prospect that will have an economic impact of approximately \$646 million annually.

### **Successful Results Due to Existing Programs and New Partnerships**

Tulsa's involvement with CEOs for Cities prompted the Chamber to pursue several other successful programs and collaborations. One such program is Tulsa Achieves, a gap-funding program that guarantees all high school seniors living in Tulsa County the opportunity to earn an associate's degree from Tulsa Community College (TCC) debt-free.

In addition, TCC has programs that assist with attracting and retaining English language learners, first generation students, African American males, adult learners, and low-income students engaged in post-secondary opportunities. As well, TCC's Graduation Blitz uses data to identify students who have nearly enough credit hours to graduate or are actually eligible for graduation, then phone calls them to discuss their quickest coursework to graduate or remind them to complete their graduation paperwork. Another program called Road Trip for Teachers facilitated a tour of manufacturing facilities for K-12 teachers and administrators.



Additionally, the Chamber received a grant from CEOs for Cities to partner with area higher education institutions, local employers and community organizations to create the Finish for Greater Tulsa website. The mission of this program was to provide adult learners a quick way to identify fast-track programs for degree completion.

The Education and Workforce arm of the Chamber also supported the creation of Impact Tulsa, a partnership of community leaders from education, business, civic, non-profit, philanthropy, and faith organizations. This unprecedented partnership works towards shared goals, creating a coordinated plan of action and using data to ensure adherence to metrics centered on educational outcomes.

### **Workforce Analysis Project Dovetails with Talent Dividend Initiative**

In October 2013, the Chamber convened partners to undertake a workforce analysis project funded by a U.S. Economic Development Administration (EDA) grant. In addition to EDA, partners included the George Kaiser Family Foundation, the Indian Nations Council of Governments, the Community Service Council and Public Service Company of Oklahoma.

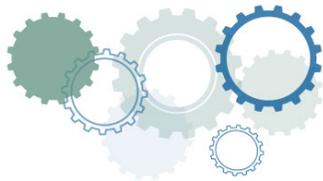
For this project, the Chamber engaged a consulting team to conduct analysis and provide recommendations for stronger connections between local industry needs and available education and training in the region. The analysis covered the seven-county Tulsa MSA but concentrated specifically in the east, west, and north neighborhoods of Tulsa. These neighborhoods are home to many underserved populations which could be better helped through an analysis of their needs and barriers to better employment.

The project was conducted in three parts. Phase one concentrated on understanding the economic and demographic landscape, including analysis of the labor market and citizen input through public meetings. Additional data were gathered in meetings with the Workforce Investment Board, education, business and industry, and economic development and city leaders. Phase two consisted of an asset inventory of the education and training landscape, and phase three entailed the presentation of a regional strategy and recommendations for workforce alignment.

The analysis found that while the Tulsa region had many strong training programs, many residents, especially those in low-income neighborhoods, were unaware of which careers were growing locally. The study identified ways to connect with those populations and also identified seven growing industries: advanced manufacturing; aerospace and aviation; energy; healthcare; information security; professional services; and transportation and logistics.

### **Integration into Larger Plans**

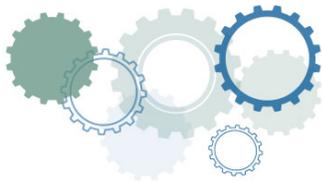
The Tulsa Regional Chamber is ensuring an organizational commitment to workforce development by incorporating both educational attainment and the workforce analysis project's



recommendations into its next five-year plan for economic development (Tulsa's Future III). Metrics for education pathways, degree attainment, and other workforce development initiatives will be built into the plan, and the Chamber's Education and Workforce Division will monitor partners in achieving these goals.

### **Conclusion**

This case study illustrates the impact that a regional EDO can have when it takes a supportive role in a workforce development system. The Chamber manages the relationships, metrics and outcomes of involved partners and takes the lead in creating funding strategies. This case also shows the importance of utilizing information to connect with workers; in this case, using extensive analysis to determine how best to serve low-income populations.



## Switzerland County, Indiana

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Taking steps to align the efforts of local WIBs, educational institutions and economic development around sector strategies can reduce redundancies and streamline efforts. But as the example of Switzerland County in southeast Indiana shows, ingrained workforce challenges can require outside funding partners to make an impact. In this example, Switzerland County was able to utilize an investment from a foundation to leverage its workforce efforts.

### The EcO15 Project

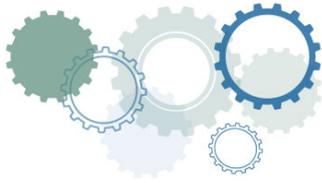
A project called Economic Opportunities through Education by 2015 (EcO15) was launched to connect the residents of 10 counties in southeast Indiana to better economic opportunities through education by the year 2015. In phase one, \$38 million in grant funds from the Lilly Endowment were invested in support of programs that would help residents move up at least one level in their education, training, or job placement within the region's three strongest economic clusters: advanced manufacturing, health care, and hospitality/tourism. The grant provides funds to place project coordinators in each of the 10 counties. Each coordinator has an understanding of processes and programs to guide students and acts as a liaison between industry and educational institutions.<sup>33</sup>

Phase Two continues to fund established best practices, including:

- **A seamless high school/post-secondary framework:** This strategy focuses on creating a new framework for recruiting, educating, and placing thousands of secondary students who are enrolled in STEM-based courses. The goal is a seamless education process in which they can earn credits towards college and gain experience in STEM-focused programs.
- **Community learning centers as catalysts for educating adults:** This strategy focuses on creating and improving education programs for adults, including actively recruiting students into targeted STEM programs at county learning centers. EcO15 catalyzed the establishment of two of these centers and the enhancement of two more.
- **Common support to expand and enhance the region's learning system:** This strategy continues several key initiatives that grew over the course of EcO15's first phase. These include project-based learning academies in K-12 schools, support for a regional EcO15 team, and coalition-building within counties.

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<sup>33</sup> EcO15, "[What is ECO15](#)." Retrieved January 16, 2015.



## Switzerland County Leverages EcO15

Switzerland County is a rural county located between Cincinnati and Louisville. Prior to engagement with EcO15, the Switzerland County Economic Development Corporation (SCEDC) analyzed the workforce demands of regional employers and compared the results to available workforce data. The results showed a discrepancy between the skill levels employers needed and those that were available. Through the EcO15 initiative, the SCEDC was able to hire a staff member specifically to address this skills gap. Due to low levels of college and high school degree attainment in the county, Switzerland County decided to focus its EcO15 resources on adult education.

### New Adult Education Center

A large part of this effort was in joining with county government to construct a mixed-use facility that houses three classrooms, a conference room with video conferencing capability, a distance-education workroom, and a computer lab. This training facility, known as the Switzerland County Technology and Education Center, provides GED and certification programs, workforce development program services, and facilities for workshops and meetings.

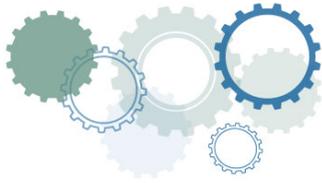
Jon Bond, president of the SCEDC, noted that the interaction with local elected officials was an important component of building the facility. The decision to include the training facility in the county's plans to construct new office space for two county agencies was unanimously approved by elected officials, but has also encountered some skepticism from the public. Bond believes that working with the community to show the importance of lifelong learning is key to success.

### The Importance of Marketing

A key component of Switzerland's initiative is to change cultural perceptions around education. According to Mike Busch, SCEDC's vice president for workforce development and Switzerland County's EcO15 coordinator, many members of the community do not ascribe much value to education in the past because well-paying manufacturing jobs were available to workers without a college degree (and in many cases, without a high school diploma).

Busch explains the challenges they faced: "High school students are a captive audience with few responsibilities. But when you turn 18 and leave high school, life happens. You start a family, you start paying bills, you start working in a job that pays little, since it requires no more than a high school diploma. So for adults, going back to school is an intervention. We chose to understand and accept this, and we incorporated this understanding into our programs and our marketing."

SCEDC created a marketing campaign focused on the value of adult education. "This was different than the economic development marketing we have done before," Bond explained.



“Our efforts focused on our entire community. We needed them to make a huge lifestyle change. We tried to do it incrementally, and convince them with information about how much more money higher skilled positions paid.”

The marketing campaign is multi-faceted. SCEDC worked with programs that reached their target demographics, including the GED program and correctional groups who used information about education as a part of their training to curtail recidivism. SCEDC presents at meetings of community groups and foundations to build support for increased education at all levels of the community. Additionally, SCEDC conducts marketing through wide-reaching networks such as radio and Facebook.

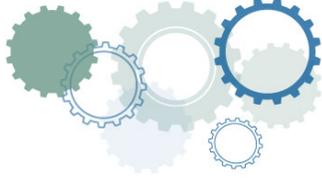
### **Setting up Education Pathways**

Programming new education pathways also took place incrementally. One way that SCEDC began to get people interested in learning and improving their skills was through “lunch and learn” programs at the Switzerland County Technology and Education Center. These short workshops introduced topics such as the new Windows operating system and how to create a skills-based resume.

The Center also focused on ways to upskill in the region’s major industries, one of which is hospitality. Prior to the Center’s engagement, there was no certification program for hospitality other than an associate’s degree. Today, the entire region benefits from the START program, a comprehensive industry credential for hotel management and culinary arts. Students in the START program are guaranteed an interview with at least one of the casinos in the region under a collaborative agreement with the casinos’ human resource executives.

SCEDC also worked to create pathways to higher education. It created a partnership with Ivy Tech, the statewide community college system, to increase enrollment. Additionally, since Switzerland County borders Kentucky, SCEDC reached out to Kentucky’s community college system to ensure tuition reciprocity. Outside of these systems, the SCEDC has identified Western Governors’ University, Indiana’s official, public online university, as another way to complete or begin a college degree. Furthermore, the local school system is encouraging high school students to pursue college credit in STEM beginning in their sophomore year.

Due to the county’s small population and unique challenges, SCEDC focuses on the individual. A key strategy has been to eliminate barriers to success and to provide options that will meet the individual needs of residents seeking to improve their skills. To ensure success, the program works with participants on problems as diverse as providing transportation, arranging childcare, and asking employers to accommodate the schedules of employees enrolled in educational programs.



## Targeted Industry Sectors

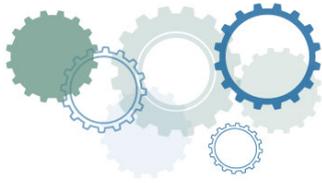
The EcO15 initiative originated out of concerns of regional employers, such as Cummins Engines, that Indiana’s future workforce would not be sufficient skilled to meet the demands of advanced manufacturers. Therefore, the foundation of EcO15 was aligned with advanced manufacturing. SCEDC has also identified the growing healthcare field, and hospitality and tourism as workforce opportunities—the latter geared at serving the labor needs of the region’s three large casino resorts.

SCEDC’s Mike Busch believes that Switzerland County’s program aligned with these major industry clusters somewhat by default. “If a resident comes to us and expresses interest in a field in which there are few regional job opportunities, we show them what the jobs are in the region and encourage them to look at careers where there is a current or anticipated demand,” he explained. Armed with this information, participants can choose to pursue training that better ensures their chances of being employed in a growth industry.

## Conclusion

SCEDC had to think regionally in order to create a program that would meet local needs. Recognizing that their residents were part of a larger laborshed, they adjusted their focus accordingly. Furthermore, their involvement with EcO15 encouraged regional thinking about industry competitiveness, especially manufacturing.

This case study also shows how information is critical to connect workers with training. SCEDC took an innovative approach well-suited to its community, conducting a marketing program to reorient attitudes around education and reaching out via social media and other means to publicize specific programs.



## Mahoning, Columbiana, and Trumbull Counties, Ohio

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According to Executive Director Bert Cene, the Mahoning and Columbiana Training Association (MCTA) is always pushing the envelope to try to serve its dual customers—job seekers and businesses—more effectively. In recent years, this has taken the form of two Workforce Innovation Grants of \$6 million each from the U.S. Department of Labor’s Employment and Training Administration to support cross-border collaboration and targeted job pipeline initiatives.

### Background

MCTA is one of 20 workforce areas in Ohio. The jurisdiction it covers is both rural and urban; Mahoning County encompasses the city of Youngstown, while Columbiana County is more rural. MCTA also works with Trumbull County, which is north of Mahoning County. Though Trumbull County is not in the same WIA jurisdiction, MCTA shares a customer tracking system with the county and partners with them on various workforce development initiatives and activities.

### OH-PENN Interstate Region

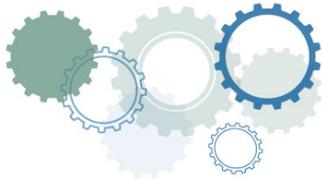
Taking regional collaboration a step further, MCTA also works with two bordering counties in Pennsylvania—Lawrence and Mercer—to form the OH-PENN Interstate Region. The region faces the ongoing challenge of supplying qualified workers, particularly in advanced manufacturing.<sup>34</sup>

Part of the challenge lies in the legacy of manufacturing in the region. Cene explained that in the 1970s and 1980s, the region lost 40,000 manufacturing jobs in the steel industry and another 20,000 indirect jobs in supporting industries. Since then, young people have been encouraged to seek four-year degrees, which has led to a decrease in the number of workers who are both seeking and qualified for manufacturing jobs. But now, advanced manufacturing jobs are on the rise, and there are not enough workers to fill them.

The OH-PENN Pathways to Competitiveness Project began with a regional study to determine how training resources aligned with employer needs. The study found that much of the training needed already existed in the region (despite gaps in individual training programs and in the field of electrical and mechanical maintenance). To fill these gaps, the project undertook visits to high schools to educate students about manufacturing careers, as well as to advocate for expanding welding and machining training programs.

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<sup>34</sup> Kenneth Mall, [“Oh-Penn Pathways to Competitiveness: Skills Gap Analysis Report.”](#)



The interstate approach is unusual in workforce development. Cene explained that the collaboration is possible due to WIA language that allows bordering states to work together in planning and providing workforce development services when demographics are the same. A formal request for interstate designation was submitted and formally approved by governors Strickland and Rendell in 2008.

The region initially received regional planning money from the Department of Labor, as well as a grant from the Wal-Mart Foundation. Building on their early success, the project partners applied for and received a \$6 million Workforce Innovation Grant, which currently supports their work.

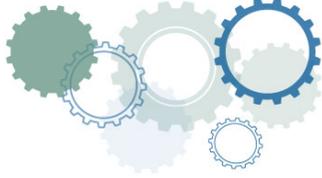
### **Business Resource Network**

MCTA also has taken a lead role in business retention, expansion and layoff aversion efforts in the region. In 2007, the organization realized it was not doing a good job of meeting business needs, and revamped its business services department in response. In the old model, MCTA employees were known Job Developers. Each Job Developer was responsible for a job seeker caseload, administered on-the-job training contracts, and provided outreach services to business. But the system was not effective and business needs were falling through the cracks.

The system was reorganized into a process that enhanced both layoff aversion and business retention and expansion. Cene explained, "In the past, we would meet with economic developers and the chamber monthly or quarterly to discuss business needs. There was energy and enthusiasm right after the meeting, but when some of the information is already obsolete or there is no single point of contact designated for follow-up activities, you tend to go back and do what you've done before."

MCTA recognized the need for up-to-date business information and a network of business services groups to respond to industry needs. To catalogue and access business data, it selected Synchronist, a customer relations database system. The crux of the system is an on-site interview with the company, which serves as a needs assessment in areas such as workforce development, facility expansion, infrastructure, and others.

While MCTA has assumed the responsibility of leading the effort, the Business Resource Network (BRN) is the key to providing a comprehensive response to business needs. The network comprises 40 partners, including economic developers, chambers of commerce, local governments, and education and training providers in the three-county area. All network partners respond to a company's needs assessment with the appropriate services to address the company's issues. A comprehensive proposal is then developed and presented to the employer. This system creates an effective framework for addressing needs, reducing redundancy, and providing a single point of contact for each business involved.

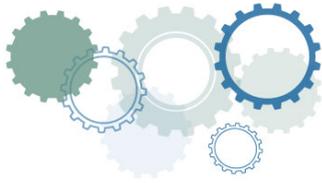


Through the BRN, MCTA has become a true partner in working with economic developers to recruit companies, with notable success in attracting oil and gas companies. MCTA has been asked to participate with chambers of commerce and other economic developers in meetings with existing companies and with companies looking to locate in the region. Cene reports that companies often remark how encouraging it is to see such high-level cooperation among partners in the tri-county area.

### **Lessons for Economic Developers**

The BRN also received a Workforce Innovation Grant, which has allowed the program to expand into 13 additional counties in Ohio. Cene points out that using grant funds to hire coordinators for both the BRN and OH-PENN has been essential. Running these collaborative programs is a full-time job, and his organization did not have the capacity to effectively manage them while also fulfilling its WIA requirements.

Ultimately, many workforce development groups are eager to collaborate, but may be unable to do so without additional resources. MCTA succeeded by implementing a regional approach and business retention, expansion and layoff aversion strategies to help ensure that businesses have a pipeline of skilled workers.



## CareerSource Palm Beach County, Florida

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Palm Beach County's Workforce Investment Board is an example of a WIB that has innovated to improve its efficacy and collaborated with regional players to increase goal alignment for better economic outcomes.

After the 2008 recession, the WIB, then known as Career Alliance, faced several challenges. Unemployment climbed as construction activity, a regional economic driver, slowed considerably. Furthermore, the WIB faced major cuts to its federal funding.

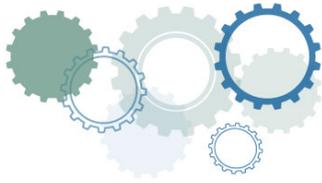
To meet these challenges, Career Alliance undertook several innovative initiatives. One was to rebrand itself as CareerSource Palm Beach County, adopting the brand used across Florida's WIBs. Consistent branding helped to increase awareness and engagement with both workers and employers. Today, CareerSource Palm Beach County's career centers host 14,000 visitors per month, and the organization placed 30,000 job applicants in 2013-2014, a record number. CareerSource advertises that these job placements are responsible for \$489 million in economic activity.

### **Innovating to Better Serve Clients and Employers**

The agency has adopted a number of technology platforms to increase its engagement with both job seekers and employers. One is an online platform that allows job seekers to create electronic portfolios, post video resumes, and conduct mock interviews. To connect with employers, CareerSource uses the same type of customer relationship management software used in business-to-business sales applications. CareerSource credits this software with creating better engagement with employers.

CareerSource's Talent Acquisition Unit employs recruiters with industry-specific experience to match candidates with job openings. This trait gives recruiters insight into the specific skills and attributes sought by hiring managers. These recruiting managers conduct in-depth analysis of the skills that make top industry performers successful in their positions, making it easier to match applicant skills with job requirements.

CareerSource's recruiters pre-screen job candidates for skills, qualifications and behaviors before referring them to hiring managers, which ensures high-quality candidates. Pre-screening can significantly reduce the cost and time of the hiring process for the employers that CareerSource serves. At the individual level, this strategy allows CareerSource to identify skills gaps that can be addressed through individualized training. CareerSource's effectiveness resulted in AT&T asking the organization to handle the company's hiring statewide, well beyond the WIB's jurisdiction.



## Strong Partnerships

In anticipation that WIOA would provide a directive for greater cooperation among regional partners, CareerSource partnered with employers, educational institutions, and local economic development organizations from the region. CareerSource's broad partnership helps to build better understanding of skill needs, which in turn translates into more targeted talent development, more coherent skills-to-job pathways, and smoother transition of students into the workforce.

One of CareerSource's most active partners is the Palm Beach County School District. In four underperforming high schools, CareerSource has placed Career Navigators who help students explore career pathways and increase their job readiness. Career Navigators also contribute to the High School Graduation Initiative, which aims to reduce dropouts.

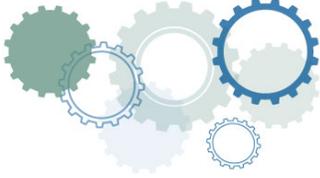
CareerSource also works closely with the Business Development Board of Palm Beach County (BDB), the county's EDO. Staff and board members of BDB sit on CareerSource's committees and vice versa. CareerSource representatives often are invited to confidential meetings between BDB and potential investors in order to highlight the county's workforce and services. "CareerSource is one of closest partners in the economic development of Palm Beach County. We communicate with them at least once per week," said Gary Hines, senior vice president of the Business Development Board. "Whenever we have businesses considering expanding or relocating to Palm Beach, workforce is high on the list of their concerns. We usually have a CareerSource official sitting in on our meetings with those prospect companies." Hines reports that job training grants are one of the most important incentives sought by companies relocating to the county.

## Sector Strategies

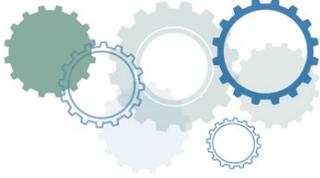
CareerSource also has partnered to create sector-specific programs in hospitality and healthcare. Hospitality is an important employer in Palm Beach County, but the industry historically relied on foreign workers. CareerSource's first sector strategy thus was motivated by a request from industry and educational institutions to increase the proportion of local residents employed in hospitality. CareerSource has engaged with local educators to increase training opportunities in hospitality; high school students at restaurant and hotel career academies are now regularly placed in part-time jobs in the industry.

The hospitality sector strategy has concentrated on increasing direct engagement with local employers. The organization now conducts on-site, weekly applicant pre-screenings for hospitality positions. More than 100 resorts and hotels now regularly place job orders with CareerSource, which places approximately 2,300 workers in the industry annually.

CareerSource is now replicating its hospitality sector strategy in the medical field. The organization is has hired recruiters with sector-specific experience, including a registered nurse,

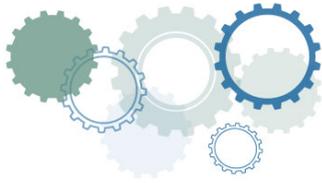


and is conducting coaching and pre-screening of applicants using customized evaluation tools. In the long run, CareerSource aims to increase its role in placing high-skill, high-wage workers, such as executives, as well.



International Economic Development Council

## Policy and Players in the Workforce System



# An In-Depth Look at the Players in the Workforce System

Organizations on the demand side and supply side of the workforce development marketplace historically have taken different approaches to building the labor pipeline. Business, educational institutions, and WIBs are integral to successful sector strategies, but it is necessary to understand the motivations of each in order to craft more effective partnerships going forward.

## Business

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Throughout most of the 19<sup>th</sup> and 20<sup>th</sup> centuries, American businesses were involved in the workforce system principally through informal training—essentially, “learning by doing.” In this system, workers without college degrees were able to gain the moderate, relatively general skills needed for middle-wage manufacturing positions. While some workers served as formal apprentices, the American system differed from Europe’s government-funded, formal, on-the-job training regimes.

However, the last decades of the 20<sup>th</sup> century witnessed substantial changes in both the U.S.’s economic structure and in the nature of work. As the American economy restructured towards knowledge, many of the manufacturers that once employed semi-skilled workers went overseas. Those manufacturing firms that remained reorganized to increase productivity, downsizing large swaths of middle-skill positions.<sup>35</sup> Non-managerial manufacturing jobs carried growing responsibility for quality control and trouble-shooting. They required cross-functional competency and substantial problem-solving abilities for which a high school degree no longer sufficed. In the now-dominant services sector, jobs were largely bifurcated—either highly skilled managerial positions, or low-skilled jobs with few prospects for long-term advancement.

As a result of these changes, on-the-job-training declined precipitously. Accenture reported in 2011 that 79 percent of American workers had not received formal on-the-job-training in the last five years.<sup>36</sup> Apprenticeship programs in the United States declined by about 40 percent in a decade.<sup>37</sup> Moreover, the on-the-job training that exists increasingly takes the form of unpaid internships.<sup>38</sup>

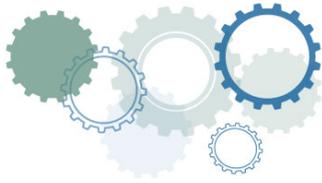
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<sup>35</sup> Maureen Conway and Robert P. Giloth, [Connecting People to Work: Workforce Intermediaries and Sector Strategies](#), (Washington, DC: Aspen Institute), 2007, p. 209; Jacobs, *Principles*.

<sup>36</sup> Peter Cappelli, “[Skills Gaps, Skills Shortages and Skill Mismatches: Evidence for the US](#)”, NBER Working Paper No. 20382.

<sup>37</sup> U.S. Department of Labor, “Registered Apprenticeship National Results.” Retrieved December 2, 2014.

<sup>38</sup> Jonathan Rodkin, “[Skipped Your College Internship? You’re Far Less Likely to Get a Job in Business](#),” *BusinessWeek*.



## Hindrances to Businesses Engaging in Workforce Development

Several studies have argued that businesses, rather than workers, would be the prime beneficiaries of increasing investment in training.<sup>39</sup> Nonetheless, a number of obstacles stand in the way of this objective. Compared to other countries, America's comparatively decentralized education system and its large and diverse workforce stifle the creation of widely recognized credentials.<sup>40</sup>

Training imposes both direct costs to businesses as well as the costs of lost productivity. Small firms struggle to pay these costs; larger firms can spread the cost over larger workforces.<sup>41</sup> Businesses also under-invest in human capital development because of turnover concerns. Most skills are portable, so workers with training often are actively courted by other employers and may decide to pursue other opportunities.

## Sector Strategy Advantages for Business

For firms, the advantage of the sector approach to workforce development is the ability to create customized training courses closely matched to their requirements for certain skills, especially when implemented on a regional, comprehensive scale. Sector strategies reduce the costs of in-house training as training programs are scaled and risks are pooled. This also increases the size of the labor pool, thus decreasing "poaching" and the cost of searching for skilled employees. Studies have found that such strategies can lead to drastically reduced rates of turnover, rework, and persistent vacancy, and increased workplace morale.<sup>42</sup> Furthermore, by deepening the regional labor pool, sector strategies have the potential to reduce wage costs.

In the longer term, because unfilled positions can prevent the execution of research, new product development, and expansion of projects, sector strategies can substantially improve the competitiveness of local businesses.<sup>43</sup> For example, state-led sector partnerships are a key selling point to businesses seeking to invest in Arizona.<sup>44</sup>

Because business involvement is crucial, sector strategies will begin to unravel where partnerships cannot deliver action-oriented, relevant, and cost-saving initiatives. As the National Governors Association report emphasizes, "Finding an employer who can serve the role as

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<sup>39</sup> John M. Barron, Mark C. Berger, and Dan A. Black, *On the Job Training*, (Kalamazoo, MI: W.E. Upjohn Institute for Employment Research), 1997.

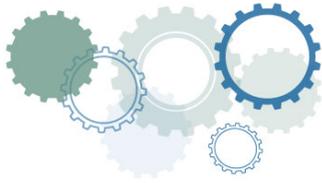
<sup>40</sup> Lisa M. Lynch, *Training and the Private Sector: International Comparisons*, (Chicago: University of Chicago Press), 1994, pp. 6-10.

<sup>41</sup> John Bishop, "Occupation-Specific Versus General Education and Training," *The Annals of the American Academy of Political and Social Science*, (559), 1998, pp. 24-38.

<sup>42</sup> NGA et al., *Accelerating*.

<sup>43</sup> Conway and Giloth, 2007; NGA et al., *Accelerating*.

<sup>44</sup> NGA et al., *Accelerating*, p. 20.



'business champion' and galvanize support from peer employers is vital at both the state and local level."<sup>45</sup>

## Educational Institutions

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The role of education in society is multifaceted, teaching character traits, critical thinking, and social behavior. In the context of workforce development, one of the main responsibilities of this system is to prepare students for the world of work. However, the education system in the United States, comprised of K-12 schools, universities, community colleges, and alternative schools, does not currently align well with business needs.

### Lifelong Learning

It has been suggested that fundamental changes in the economy and nature of work require re-imagining the workforce development system—ideally, as an ecosystem of institutions guided by a lifelong learning approach. In this scenario, the system offers students and workers a variety of career tracks and ample opportunities for re-skilling and re-training, and education is a lifelong pursuit.<sup>46</sup> Existing institutions—K-12, community colleges, universities—will need to reframe their services to best serve learners.

### Sector Strategy Advantage for Education

Aligning education systems with the needs of industry is at the heart of a successful sector approach. Education institutions at every level can be calibrated to appropriately link students to opportunities to explore careers in regional industries and beyond. And, as continual upskilling becomes necessary for workers in all fields, educational organizations will be considering new models of knowledge transfer and program development.

### Kindergarten to Grade 12 (K-12)

The goal of the kindergarten to grade 12 system is to develop core academic, critical thinking, and technical skills that students will need to thrive in society, including the basic competencies needed in almost all jobs. Because the K-12 system is the basis of the educational spectrum, its curriculum should set the groundwork of skills aligned with downstream learning, and ultimately, workforce needs.<sup>47</sup>

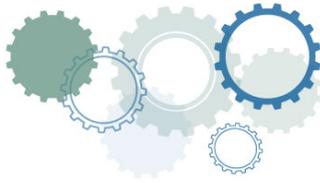
While America's elementary schools generally rank well, its high schools do not. International comparisons of high school students' math, reading, and science skills show American students

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<sup>45</sup> NGA et al., *Accelerating*.

<sup>46</sup> Jacobs, *Principles*.

<sup>47</sup> Achieve, [Strategies for K-12 and Workforce Alignment](#), 2010.



falling behind their peers, including those in lesser developed countries.<sup>48</sup> Only 25 percent of college-bound high school graduates are proficient in the English, mathematics, reading, and science skills deemed to be necessary for college.<sup>49</sup> Underperforming high schools leave students unprepared for their next steps, regardless of whether these are in workplaces, colleges or universities.

### **K-12 Benefits to Sector Strategies**

The K-12 system has the opportunity to address students' post-graduation lives by expanding career planning and education programs to emphasize lifelong learning and adaptability. Tying classroom experiences to applicability in the world of work can motivate learners and make material relevant. Experiential learning is one way to facilitate this; students can be offered increased opportunities to identify their interests and become familiar with the work environment through internships, apprenticeships and mentorships.<sup>50</sup> In a sectoral approach, experiential learning opportunities can aligned with targeted industries provide a direct link between businesses and future workers.

A second component of engaging K-12 in sector strategies is ensuring information reaches teachers and counselors as well as students. A success example of a school district partnering with business leaders to show the day-to-day operations and labor needs of different industries can be found in the Tulsa Chamber of Commerce's Teacher Road Trip, in the case study above. This program educates teachers and administrators on the manufacturing industries in order to change their perception.

Career counselors are another important population to engage in sector strategies. Based on students' individual abilities, aptitudes and interests, career counselors can promote a variety of pathways after graduation, including those that require technical and vocational training rather than university education. Counselors can make students aware of local and regional opportunities, and explain credentialing pathways. Oftentimes, paths to technical and vocational occupations can start in high school; coueslors can help students bridge the gap between their existing curriculum and higher level programs.

### **Experiential Learning**

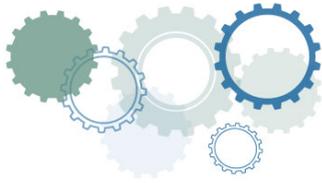
In order to align with the sector strategy approach, K-12 educators, as well as those in higher education, may look to experiential learning to connect the classroom to the real world. In elementary school, this can take the form of career days, or partnerships between school and

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<sup>48</sup> Organization for Economic Cooperation and Development, [Education at a Glance 2014](#), (Paris: OECD Publishing), 2014; Joel Klein, "[The Failure of American Schools](#)," *The Atlantic*, April 26, 2011.

<sup>49</sup>ACT Inc., [The Condition of College and Career Readiness](#), 2012; James R. Harrigan and Antony Davies, "[Public High Schools are Not Doing Their Job](#)," *U.S. News and World Report*, August 28, 2012.

<sup>50</sup> Garmise et al., *Workforce*.



industry to illustrate science and math concepts. In middle and high school, these partnerships may grow into learning/working agreements, or apprenticeships. Other types of experiential learning include internships, co-ops, and industry field trips, which allow students to sample different industries before making a career choice.

### **Community and Technical Colleges**

Community colleges are a traditional and important component to workforce development. Community and technical colleges serve several roles, including supplying technicians to the workforce and providing a “second-chance” workforce training system for unemployed, displaced, and under-skilled workers. However, as the workplace veers away from technical skills and towards a knowledge economy, community colleges increasingly are being judged on their effectiveness at placing students into well-paying, quality jobs.<sup>51</sup>

The best-known role of community colleges is to provide courses and certifications aimed at broad industrial and occupational categories. These categories comprise a substantial portion of the labor force. A 2014 report by the Organization for Economic Cooperation and Development notes that a third of the jobs created in the next five years will require vocational education.<sup>52</sup>

The target clientele of community colleges is workers who are up-skilling, retraining, or transitioning into new career fields, either as a strategy of career advancement or as a result of displacement. Students at community colleges tend to be older than average undergraduates who are already participating in the workforce. The average age is 29 and most study part-time.<sup>53</sup> Because many students also work, community college courses are usually significantly less expensive than university programs, and are structured in flexible formats such as evening and distance classes. To assist students with retraining, community colleges offer extensive remedial learning for students with poor inbound skills. Although most community college students fit the description above, community colleges also attract a number of high school graduates interested in technical fields and students using community colleges as a step towards more advanced academic degrees.

### **Community College Benefits to Sector Strategies**

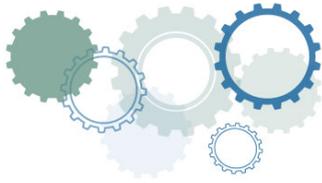
Community colleges have traditionally served as the entity through which training was provided by the federal workforce system. Community colleges offer programs that are approved by WIBs, and WIBs can work with them to create programs to respond to business needs. Training programs at community colleges can be more flexible due to their shorter classes and more

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<sup>51</sup> ACT Foundation, [Changing Lives, Building a Workforce](#), (Austin, TX: ACT Foundation), 2012.

<sup>52</sup> Organization for Economic Cooperation and Development, [Skills Beyond School: Synthesis Report](#), (Paris: OECD Publishing), 2014.

<sup>53</sup> American Association of Community Colleges, [“Students at Community Colleges.”](#) Retrieved December 2, 2014



practical focus. In fact, most community colleges regularly adapt and modify course content and formats.<sup>54</sup>

Because of their ability to be flexible, community colleges engage with the business sector in several ways. Local business leaders may serve as adjunct faculty, injecting practical, applied, and highly contemporary skills and experiences into lessons. Furthermore, a growing function of community colleges is to offer customized, contract training programs to employers to upgrade the skills of their incumbent workforce. Contract trainings boost enrollment and revenues, and serve as one avenue to engage the private sector and increase the practicality of course content.<sup>55</sup> Yet another role of the community college is to engage faculty members to work directly with local businesses to solve specialized problems at a more immediate level than may be typical of universities.

However, community college systems can be better refined to orient towards career pathways, which eventually lead to sustainable employment in an industry with a proven need for workers.<sup>56</sup> Unfortunately, due to a lack of coordination and forecasting, many community college students leave college with training and credentials that do not provide a direct path to a career, due to misalignment between training offered and business needs. Due to this mismatch, industries such as construction and transportation, which are well-suited to community college learning environments, are chronically undersupplied with qualified community college graduates.<sup>57</sup>

Structured involvement of industry stakeholders in community colleges would improve the alignment of curricula with employment opportunities.<sup>58</sup> Economic development focused sector approaches can facilitate this alignment. Improved integration with industry creates more opportunities for community college graduates. Tactics to bring these two entities together include colleges incorporating more work-based learning into their programs,<sup>59</sup> and expanding their offering of on-demand training services for private companies; contract programs ensure a close match between training and needs.

## Universities

The central workforce role of the university is to provide academic post-secondary education to undergraduates, granting them the skills needed to succeed in the workplace. Mirroring the

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<sup>54</sup> Garmise et al., *Workforce*.

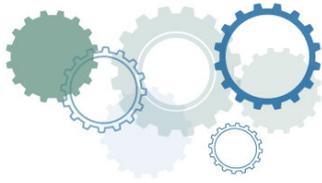
<sup>55</sup> Kevin J. Dougherty & Marianne F. Bakia, *The New Economic Development Role of the Community College*, (New York: Community College Research Center), 1999.

<sup>56</sup> Lauren Eyster, Theresa Anderson, and Christin Dunham, "Innovations and Future Directions for Workforce Development in the Post-Recession Era", *Urban Institute Working Paper (7)*, 2013.

<sup>57</sup> Louis S. Jacobson and Robert J. Lalonde, *Using Data to Improve the Performance of Workforce Training*, (Washington: The Brookings Institution/Hamilton Project), 2013; ACT, *Changing*.

<sup>58</sup> OECD, "Skills."

<sup>59</sup> OECD, "Skills."



growing demand for college degrees, enrollment in bachelor programs has grown continually for many years. In 1967, 25 percent of 18- to 24-year-olds were enrolled in universities; by 2012, the statistic was 41 percent.<sup>60</sup> Another important role of the university is to provide specialized professional and advanced degrees and certifications, principally to holders of bachelor's degrees. Other university workforce development services include career counseling, job fairs, and entrepreneurship support for students.<sup>61</sup>

### University Engagement in Workforce

In contrast to community colleges, universities historically were not engaged in responding directly to the workforce needs of their regions. However, a number of universities have embraced the objective of local engagement with pioneering approaches. Many universities now offer continuing education programs; some offer customized workforce programs similar to those typical of community colleges. Increasingly, faculty are partnering with local businesses to solve problems and develop intellectual property together. Universities are increasingly concerned with catalyzing academic research into product development to be sold to existing companies or promoted by new entrepreneurial spinoffs.

As universities continue to realize how outside engagement enriches students' experience, programs that link classroom learning to experience are becoming more prevalent. Students are being offered opportunities to engage with the private sector through mentorships, internships, cooperative programs, and experiential learning. As with community and technical colleges, business or professional groups are also providing input on university course content to keep it current and applicable. Finally, universities are increasingly partnering with economic developers to market talented graduates and in-house research as major drivers of regional growth.<sup>62</sup>

### Alternative Education

In addition to traditional institutions of education, a number of alternative educational models have recently emerged, including hacker schools and Massive Online Open Courses (MOOCs). These educational platforms are designed to provide specific skills; while some programs lead to credentialing, others simply offer modules of curriculum, a la carte, that learners can use to improve the gaps in their knowledge

Hacker schools, such as Dev Bootcamp, are short, intensive, for-profit training programs that promise high-paying jobs at recognized firms upon graduation.<sup>63</sup> Some hacker schools have advertised a 98 percent rate of placement in jobs paying an average of \$110,000. However, the

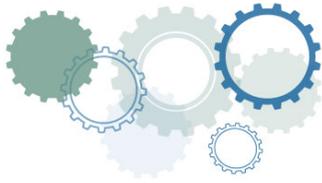
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<sup>60</sup> National Center for Education Statistics, "[Fast Facts](#)," Retrieved November 23, 2014.

<sup>61</sup> Garmise, *Workforce*.

<sup>62</sup> Garmise et al., *Workforce*.

<sup>63</sup> Cait Murphy, "Why [the Skills Gap Does Not Exist](#)," *Inc.*, April, 2014.



hacker school phenomenon is limited to information technology-related fields such as software and web application development. Furthermore, increased regulation of these institutions may soon end this experiment in education, shutting down the less successful hacker schools and bringing others under the umbrella of accredited trade schools.<sup>64</sup>

Another emerging workforce development trend is the MOOC. MOOCs are online courses based on courses taught at prestigious universities, but offered at low cost or for free. MOOCs offering hard skills, such as software development and mathematics, have been most popular. MOOCs allow learners to engage with each other directly, prioritizing student-directed learning. Many provide credits or certificates of completion.<sup>65</sup> However, corporations are using MOOCs to train their own employees at low cost, and are also offering MOOCs on high-demand topics to the public in a bid to create a pipeline of eligible workers.<sup>66</sup>

### Alternative Education

Alternative education is a flexible and easily customizable means to increase the skills of a workforce in a particular industry. Most of the hacker school models have either been funded or created by technology insiders; this offers students the chance to learn from professionals, but it has also called into question the credentials and motives of these institutions. Alternatively, MOOCs are offered through universities or organizations that connect university-level instructors to online learners. While these courses are easily available and affordable, studies show completion rates are low.<sup>67</sup>

Both hacker schools and MOOCs can provide opportunities for skill development. But quantifying those skills, and other skills learned from job or life experience can be a challenge. Earning credentials through nationally-recognized programs quantifies and standardizes worker skills, and boosts the profile of a region. Credentialing is a movement to create employer-recognized credentials that attest to an employment candidate's skills and aptitudes. One example of this is ACT's National Career Readiness Certificate, which is awarded on the basis of aptitude testing in applied mathematics, ability to locate information, and the ability to read documents. The notion behind the certificate is to allow employers to recruit employees with demonstrable skills.<sup>68</sup>

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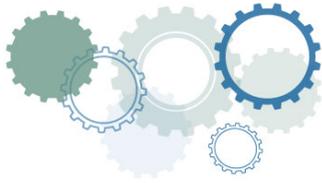
<sup>64</sup> Alice Truong, "[Become an iOS Developer in 8 Weeks](#)," *Fast Company*, December 17, 2013.

<sup>65</sup> Jeanne Meister, "[How MOOCs Will Revolutionize Corporate Learning and Development](#)," *Forbes*, August 13, 2013.

<sup>66</sup> Issie Lapowsky, "[How MOOCs Are Training Tomorrow's Workforce](#)," *Inc.*, September 3, 2013.

<sup>67</sup> Chris Parr, "[Not Staying the Course](#)," *Inside Higher Ed*, May 10, 2013

<sup>68</sup> ACT, "[National Career Readiness Certificate](#)." Retrieved December 30, 2014.



## Workforce Investment Boards

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Workforce Investment Boards are entities that exist at the state and local levels to carry out the directives of the Workforce Investment Act. Funds are dispensed from U.S. Congress to the Employment and Training Administration (ETA) in the U.S. Department of Labor (DOL). Those funds are then distributed to each state's governor. The governor manages these funds by designating a state department to receive and disburse money. The funds then flow through the state to the local chief elected official, often a mayor. The official designates the organization which will use the funds to carry out workforce development programs, most often the local Workforce Investment Board (WIB).

### State WIBs

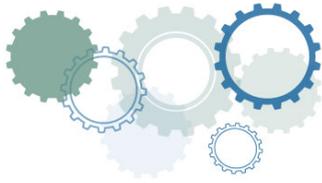
Governors appoint and serve on state-level WIBs. These WIBs produce a state plan, which outlines the state's workforce delivery system and is submitted to DOL ETA for approval. They designate local workforce investment areas, monitor WIA performance, and distribute funds reserved for statewide activities.

In addition to the governor, state WIBs are comprised of four members of the state legislature, as well as governor-appointed, executive-level business representatives, local CEOs, labor representatives nominated by state labor federations, representatives of organizations involved with activities under WIA, and other appropriate state agency officials. The governor appoints the state board chair.

Governors also have access to 15 percent of the incoming WIA funding for discretionary purposes. These funds are designed to facilitate initiatives or projects that would not otherwise be possible at a statewide level, or to provide incentives for local areas to develop programs. Governors also have control over an additional 25 percent of dislocated worker funding to address acute layoffs or other industry transitions that affect the state's economy.

### Local WIBs

At the local level, the chief elected official (CEO) serves in a parallel role to the governor. The CEO is responsible for funds flowing from the designated state entity to be invested in alignment with the local plan. The CEO also appoints the local WIB, which is accountable for the planning and oversight of public workforce services delivered through one-stop centers and training vendors. Local WIBs must engage executive-level business representatives as the majority of their board. The board should also include representatives of education, organized labor, community-based organizations, economic development and the dozen one-stop career center partners listed in WIA. The chair of this organization is elected by leadership.



## One-Stop Centers

One-Stop Career Centers are designed to coordinate and consolidate more than a dozen federally funded education and workforce programs. They provide a set of core, basic services to the universe of job seekers and employers and are required in every local workforce investment area.<sup>69</sup> Though One-Stop Centers are designed to streamline processes for job seekers and employers, NAWB explains that

“In practice, requirements of other funding streams, existing leases, space requirements, and a host of other coordination challenges often preclude the full coordination or alignment of services through the one-stops as envisioned in WIA.”<sup>70</sup>

One-Stop Centers are discussed in detail in the policy discussion below.

## WIBs’ Role in Sector Strategies

Local WIBs’ engagement in sector strategies can be limited by their legislated responsibilities, as well as a perspective that is much more focused on the individual client than serving the needs of business. WIBs are responsible for meeting nine “[common measures](#)” (PDF) that rely mostly on percentages or averages regarding participants’ progress toward certification and degrees, or exits from programs. A separate list of 17 performance measures governing the Workforce Investment Act has a similar focus, although the final measure on this list is “customer satisfaction for employers.”

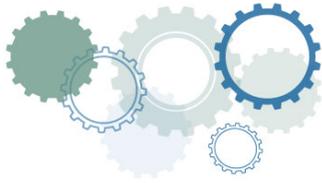
Economic developers hoping to engage with WIBs in sector strategies should recognize the difficulty that some WIBs can face when trying to meet established performance metrics while also aligning their services with target industries. Oftentimes, an orientation to business needs enables WIBs to better meet placement and certification metrics, since trainees will be qualified for jobs in growing fields. However, this shift in focus can be challenging for WIBs from a cultural perspective.

A NAWB paper explores the responsibilities of WIBs, separating state and local WIB functions into **legislated responsibilities** and **leadership responsibilities**. Legislated responsibilities refer to legal obligations and requirements set forth by policy. For state WIBs, this includes completion and acceptance of a state plan, designation of local areas, certification of local WIBs, and others. For local WIBs, this includes metrics set forth by WIA, as well as the development and filing of plans, and the operation of a one-stop shop. Leadership responsibilities speak more to the “spirit” of how to confront labor challenges. NAWB lists these leadership responsibilities as governing the public workforce system; defining issues and setting

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<sup>69</sup> Glickman et al., *WIA 101*.

<sup>70</sup> Glickman et al., *WIA 101*, p. 10.



strategies; establishing partnerships; and leveraging resources. When WIBs take on these leadership responsibilities, they are strong partners in a sector strategies.

### **EDOs Working with WIBs**

NAWB also writes that, “WIBs can best serve elected officials when there is a clear, articulated vision for human capital and economic development that can be supported by WIBs and championed by its members.” EDOs working with WIBs can take a lead role in developing a strategy at both the state and local levels. The recently passed Workforce Innovation and Opportunity Act (WIOA), which is discussed below, establishes a larger role for economic developers in crafting both state and local visions for workforce development.

### **Federal Policy Environment**

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Workforce development policy includes a range of programs that fund or provide for job training, skills development, and employment services including the Workforce Investment Act, One-Stop Career Centers, apprenticeships, youth employment programs, and older worker programs. Entities that carry out workforce policy on the national level include the Departments of Labor, Education, Health and Human Services, Commerce, Agriculture and Housing and Urban Development.

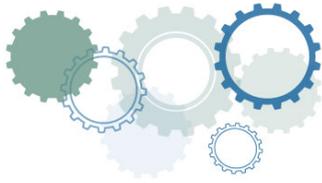
The federal approach to workforce policy has changed since it was first initiated; moving from a structure primarily focused on the individual to one that takes into consideration the needs of business. The extent to which business is served by this new approach is debatable, and the fact that workforce spending has decreased by more than 70 percent since 1979 impacts the efficacy of the programs.<sup>71</sup> However, a new generation of workforce policy is more permissive and encouraging of sector strategy approaches.

### **U.S. Federal Agencies**

Today, the federal agencies most involved in workforce development are the Department of Labor, which oversees workforce investment, and the Department of Education, which oversees student loans and a limited amount of K-12 education. Agencies such as the Department of Health and Human Services, which oversees the Head Start early childhood education program; the Department of Commerce; the Department of Agriculture; the Veterans Administration; and the Department of Housing and Urban Development also provide programs and resources for training initiatives.

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<sup>71</sup> Urban Institute “Workforce Development” Accessed January 16, 2015



## History of Federal Involvement in Workforce Development

The federal government has been involved in workforce issues since the 1862 Morrill Acts, when it funded universities that would provide practical and applied training, rather than the classical academic curriculum then prevalent at American universities. The federal role expanded with the 1913 founding of the Department of Labor in response to demands from the labor movement for greater representation of the interests of wage earners.<sup>72</sup>

Federal lawmakers became acutely interested in workforce issues during the Great Depression of the 1930s, when unemployment rose as high as 25 percent.<sup>73</sup> The Depression-era Wagner-Peyser Act created the U.S. Employment Service (USES), a nationwide system of offices to offer a range of services to job seekers. An amended version of this act still mandates the services provided at One-Stop centers. The New Deal programs were initiated not only to create gainful employment for the masses of unemployed, but also to stimulate the economy back into growth.<sup>74</sup>

Since World War II, federal workforce programs have become less ambitious and more targeted. In response to the civil rights movement and the War on Poverty, federal policy was increasingly designed to address the needs of the disadvantaged and unemployed with programs of remedial education, vocational training, on-the-job training, subsidized work experience, basic life-skills training, and job search assistance.<sup>75</sup> The Manpower Development and Training Act of 1962 (MDTA), for instance, concentrated on retraining workers displaced by industrial change, but then later shifted attention to the unemployed and poor.<sup>76</sup>

Another emerging principle of workforce legislation was local control. The Economic Opportunity Act of 1964 introduced a highly participatory approach to training, giving control to local jurisdictions. This approach has been continued in subsequent workforce legislation.<sup>77</sup> The MDTA was replaced in 1973 by the Comprehensive Employment and Training Act (CETA), which decentralized funding by providing block grants that gave local administrators autonomy in the design of training regimes.<sup>78</sup>

CETA and its predecessors were supply-side-focused, concentrated on giving individuals training and then linking them with jobs that were appropriate to their skills and aptitudes.<sup>79</sup> The successor to CETA, the Job Training and Partnership Act of 1982 (JTPA), marked the beginning

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<sup>72</sup> Washington State, Employment and Career Development Division Training Academy, [Workforce Development Overview](#), 2012.

<sup>73</sup> Robert H. Frank and Ben S. Bernanke, *Principles of Macroeconomics*, (Boston: McGraw-Hill, 2007).

<sup>74</sup> Washington State, *Overview*.

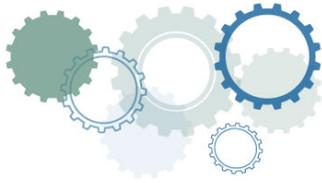
<sup>75</sup> Jacobs, *Principles*.

<sup>76</sup> Washington State, *Overview*.

<sup>77</sup> Washington State, *Overview*.

<sup>78</sup> Washington State, *Overview*.

<sup>79</sup> Conway and Giloth, *Connecting*; Jacobs, *Principles*.



of a transition to demand-side design that attempted to train workers in skills currently needed in the labor market. JTPA created Private Industry Councils to engage business in the design of training programs.<sup>80</sup> Despite this greater orientation towards business needs, however, the target population for JTPA remained primarily the disadvantaged worker.

JTPA programs were criticized for uneven funding on both regional and racial grounds. Studies found that program funds were being abused and that the program was massively underfunded, reaching only five percent of its target population.<sup>81</sup> Perhaps most damning were evaluations showing that after participating in JTPA programs, target population incomes had declined, not increased. The lasting political effect was a widespread conviction that programs for the disadvantaged—and perhaps, by extension, workforce development programs in general—simply were not effective.<sup>82</sup>

### The Workforce Investment Act of 1998

The Workforce Investment Act of 1998 (WIA) attempted to correct some of the perceived design flaws of JTPA. WIA abandoned JTPA's focus on the economically disadvantaged in favor of access for all.<sup>83</sup> With a wider audience for its services, WIA introduced a client-focused One-Stop Career Center model that would attempt to integrate the complex job-training, education, and employment resources available into a comprehensive system. De-emphasizing training, One-Stops were designed to operate on a “work first” basis in which most clients would be offered job search and placement assistance in an attempt to get them quickly employed. Limited evidence suggested that this approach could be effective in rapidly decreasing joblessness.<sup>84</sup> Clients experiencing prolonged difficulty finding a job were offered a sequence of services progressing to counseling, then skills assessments, and then, for those facing the most difficulty entering the workforce, training.<sup>85</sup>

Despite considerable philosophical departure from JTPA, WIA continued its predecessors' localized approach and transitioned to demand-side design. WIA gave states and localities greater autonomy through the creation of state and local Workforce Investment Boards, composed primarily of private-sector representatives, who would administer the services provided under the Act. WIBs enjoyed considerable autonomy in the design of programming.<sup>86</sup>

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<sup>80</sup> Conway and Giloth, *Connecting*, p. 209.

<sup>81</sup> Michael Cragg, “Performance Incentives in the Public Sector: Evidence from the Job Training Partnership Act,” *Journal of Law, Economics, & Organization*, (13:1), 1997, pp. 147–168; Glen Schneider, Michael Battaglia, Christopher Logan, and Jeffrey Zornitsky, [An Assessment of Funding Allocation Under the Job Training Partnership Act](#), [U.S. Department of Labor, Contract No. J-9-M-5-0051], (Cambridge, MA: Abt Associates), 1997; Jacobs, *Principles*.

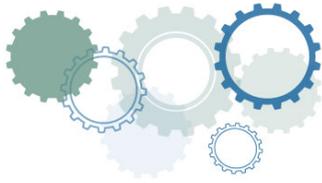
<sup>82</sup> Conway and Giloth, *Connecting*, p. 11.

<sup>83</sup> Jacobs, *Principles*.

<sup>84</sup> Conway and Giloth, *Connecting*; Jacobs, *Principles*.

<sup>85</sup> Jacobs, *Principles*.

<sup>86</sup> Jacobs, *Principles*.



However, high general unemployment and persistent low wages for clients suggested that the workforce system was still underperforming. WIA was criticized for a short-term outlook and lack of commitment to addressing skills that would lead to long-term employment and career success for participants.<sup>87</sup> WIBs still did not seem to adequately address private-sector skill needs, despite extensive business representation.<sup>88</sup> Many employers remained unsure of how to engage with the workforce system and were unaware of the existence of One-Stop Career Centers. When employers did use One-Stops, they did so primarily to staff low-paying, temporary positions.<sup>89</sup>

### Sector Strategies and WIA

In the early 2000s, stand-out programs such as San Jose, California's Center for Employment and Training and the Wisconsin Regional Training Partnership suggested a cost-efficient, results-oriented innovation: industry sector-based training partnerships with extensive private-sector involvement. The Department of Labor funded several programs to explore this design, including the Sector Demonstration Program and the High Growth Job Training Initiative, which identified and targeted 14 industry sectors for specialized training grants.<sup>90</sup> Between 2006 and 2008, DOL's Workforce Innovation in Regional Economic Development (WIRED) program made grants to encourage greater collaboration between local WIBs and to align the training offered by WIBs to the skill needs of regional industries.<sup>91</sup>

Broad, industry-based partnerships were further encouraged through the 2009 American Recovery and Reinvestment Act (ARRA), which provided \$4 billion in special funding for WIA. This included programs to deploy training and employment strategies within high-growth regional industries, especially the healthcare and green sectors. The Trade Adjustment Assistance Community College and Career Training Grant Program of 2010 (TAACCCT) funded the expansion of job-driven training partnerships between community colleges and employers and job-driven training programs for laid-off workers. Other recent grant programs have been designed to bring workforce intermediaries closer to industry.

### The Current State of Workforce Initiatives

Notwithstanding some promising experiments, the workforce system as a whole remains beset by structural challenges. Despite the advent of the One-Stop system, many people believe that federal programs remain fragmented and uncoordinated.<sup>92</sup> Moreover, federal education and training programs are chronically underfunded, as shown in Figure 6. Education has received a

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<sup>87</sup> Jacobs, *Principles*.

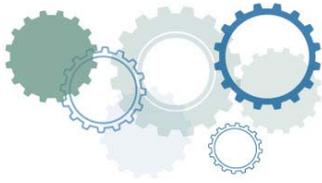
<sup>88</sup> Conway and Giloth, *Connecting*.

<sup>89</sup> Jacobs, *Principles*.

<sup>90</sup> Conway and Giloth, *Connecting*, p. 357.

<sup>91</sup> Conway and Giloth, *Connecting*, p. 358.

<sup>92</sup> Jacobs, *Principles*.



declining share of the federal budget since 2000; meanwhile, spending on education at the local and state levels has declined in the same time.<sup>93</sup>

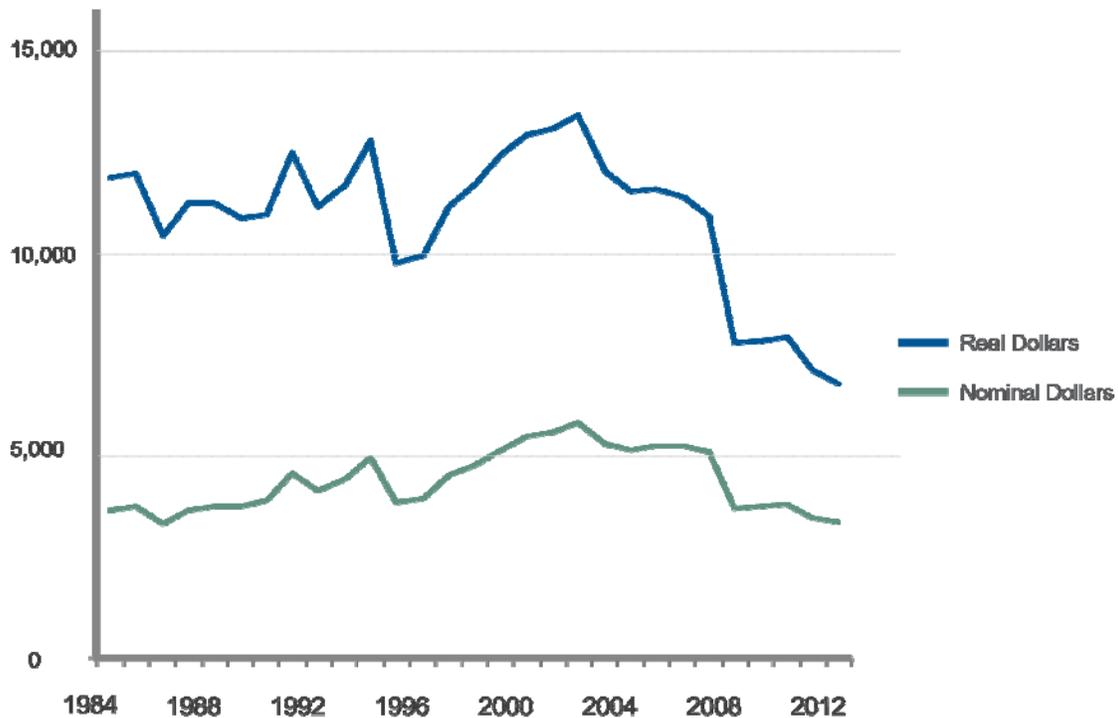


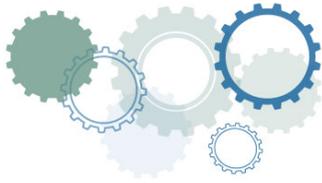
Figure 6: Budget Authority for Training and Employment Programs, FY 1984 to 2012, By Year of Appropriation

Funding for WIA has likewise declined, despite the growing responsibilities assigned to WIBs under the act. Funding for WIA declined from \$5.5 billion in 2010 to \$4.9 billion in 2013. Funding for the core WIA programs for youth, adults, and displaced workers have seen an equally precipitous decline, from \$2.9 billion in 2007 to \$1.7 billion in 2013.<sup>94</sup> Funding shortages have affected training programs particularly. Because WIA's funding mechanism rewards job placement, many WIBs have concentrated their meager resources on placement assistance to guarantee their funding. Meanwhile, the number of federal workforce recipients achieving a recognized credential has declined to under half of what it once was.<sup>95</sup>

<sup>93</sup> Anthony P. Carnevale, Andrew R. Hanson, and Artem Gulish, *Failure to Launch*, (Washington, DC: Georgetown Center on Education and the Workforce), 2013, p. 43.

<sup>94</sup> U.S. Department of Labor Employment and Training Administration.

<sup>95</sup> Jacobs, *Principles*.



While it is too early to evaluate WIA's successor, the Workforce Innovation and Opportunity Act of 2014 (WIOA), it presents a number of opportunities to improve the workforce system. In particular, it is expected to encourage better alignment between workforce development organizations and EDOs.<sup>96</sup>

## How Does WIOA Support Sector Strategies?

### The Workforce Innovation & Opportunity Act of 2014 (WIOA)

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On July 22, 2014, President Barack Obama signed into law the Workforce Innovation and Opportunity Act of 2014, commonly referred to as WIOA. This is the first major overhaul of the federal workforce development system since the Workforce Investment Act of 1998 (WIA). WIOA revises and reauthorizes key provisions of WIA, but also amends other key legislation that is part of the overall federal workforce system, including the Adult Education and Family Literacy Act (AEFLA), the Wagner-Peyser Act, and the Rehabilitation Act of 1973.

According to statements released by the Senate Committee on Health, Education, Labor and Pensions, the primary push behind WIOA was to create a system that: streamlined workforce development; created greater value for dollar spent; provided better coordination between common programmatic efforts; and improved resource opportunities available to marginalized members of the workforce. At the time of writing, regulations to implement WIOA are still under development by the departments of Labor, Education and Health & Human Services, with release planned for early 2015. However, the law itself is prescriptive enough to provide a sense of how the new system may work and how policy makers envisioned the role of economic developers within it.

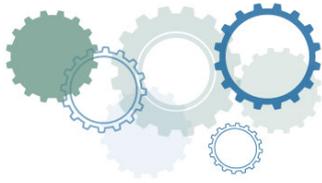
WIOA streamlines four core programs into one workforce development system.<sup>97</sup> These core programs are referred to throughout the law and are the basis for determining funding levels and performance measures. Those programs are:

- Adult, Dislocated Worker and Youth formula programs;
- Adult Education and Literacy program;
- Wagner-Peyser Act employment services program; and
- Title I of the Vocational Rehabilitation Act.

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<sup>96</sup> Brown and Parkins, *Raising the Bar*.

<sup>97</sup> U.S. Department of Education, Office of Career, Technical, and Adult Education, "[WIOA Webinar: An Overview of Adult Education & Literacy](#)" [Webinar slideshow], 2014, p. 11.



## Structure of the Law

WIOA is structured into five titles, which correspond with the legislation they revise, repeal or reauthorize:

- Title I: Workforce Development Activities (WIA)—Core program;
- Title II: Adult Education and Literacy (AEFLA)—Core program;
- Title III: Amendments to Wagner-Peyser Act—Core program;
- Title IV: Amendments to the Rehabilitation Act of 1973—Core program; and
- Title V: General Provisions—largely definitions of key words and terms contained in the bill.

Title I covers most of the programs and funding administered by DOL's Employment & Training Administration. Title I includes statutes relevant to local and state board composition, administration, appropriations, performance measures, and services provided (One-Stop Centers).

Title II of WIOA addresses programs and funding administered by the Department of Education (DOE) through its statutory role in carrying out AEFLA. DOE will execute its WIOA functions primarily through the Office of Career, Technical & Adult Education. Community colleges, technical schools, adult literacy programs and the like are administered through this office.

Title III concerns changes to the Wagner-Peyser Act, which was last amended under WIA in 1998. Wagner-Peyser is administered by ETA, and under WIOA this remains the same; federal and state employment offices, their programs and funding are based on Wagner-Peyser.

Title IV of WIOA amends the Rehabilitation Act of 1973 and is administered primarily by the Department of Health and Human Services (HHS). This part of the law focuses on employment and training services for people with disabilities and other marginalized members of the workforce.

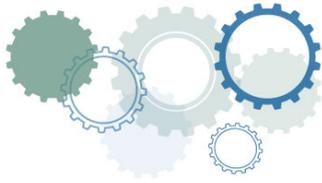
This report focuses on Titles I and II, as they contain the greatest implications for economic developers.

### Title I: Workforce Development Activities

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Title I covers several important provisions of the federal workforce development system of programs. These include workforce boards; workforce plans; workforce development areas; performance accountability; One-Stop infrastructure; employment and training activities; Job Corps, and National Programs.

As indicated in a statement that accompanied WIOA, Title I seeks to “strengthen and streamline the workforce system” by focusing on changes to governance; requiring a unified state plan;



promoting local workforce areas consistent with economic development regions; providing employment services along career pathways; and providing training that parallels in-demand industry sectors within a specific region.<sup>98</sup>

### **Workforce Boards**

State workforce board composition remains a business majority with a business chair. However, the number of required members on workforce boards has been reduced significantly in an effort to improve board efficiency and effectiveness. The board must also include representation from the workforce board, or union groups, in its composition, but not to the degree of business representation. The balance of the board may include representatives from community colleges and other higher learning institutions, as well as state agency officials responsible for community and economic development. WIOA provides flexibility for governors to appoint additional members at their discretion.

### **Workforce Plans**

Each state is required to submit a single strategic plan for workforce development that covers all four core program areas. The strategic plan should cover a period of four years and should provide a “description of the State’s overall strategy for workforce development and how the strategy will help meet the identified needs for workers, job seekers, and employers in the State.”<sup>99</sup>

The state’s strategic plan should include direct input from local and regional chief elected officials and other relevant parties to ensure it is aligned with regional economic development strategic plans. More specifically, WIOA seeks to maintain balance between governors and local officials; thus, it requires direct consultation in identifying local areas and planning regions in the establishment of workforce development areas throughout the state. The purpose is to streamline and leverage existing plans that are based on local efforts to maximize inherent resources.

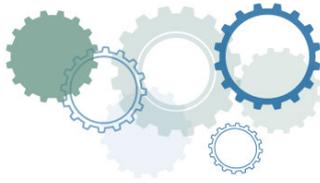
### **Performance Accountability**

A major force behind WIOA is the concept of performance accountability. A previous criticism of the federal workforce system has focused on a lack of clear performance measures that are consistently applied across the full range of federal workforce programs. A component of addressing this issue has been the elimination or consolidation of over a dozen federal workforce programs that lawmakers considered wasteful, ineffective or duplicative.

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<sup>98</sup> Tom Harkin, Lamar Alexander, Patty Murray, Johnny Isakson, John Kline, George Miller, Virginia Foxx, and Ruben Hinojosa, “[Statement of Managers to Accompany the Workforce Innovation and Opportunity Act](#),” 2014, p. 4.

<sup>99</sup> Harkin et al., “Statement of Managers,” p. 5



In WIOA, Chapter 4—Performance Accountability covers the performance indicators for state and local boards; the measures for these indicators; provisions for creating measures from the perspective of employers served by the system; the content of state and local evaluation reports to be submitted to the federal government; state and locally adjusted targets; and measures to be taken in the event targets are not met.

The six primary indicators of performance across all four core programs at the state and local levels are:<sup>100</sup>

- Percentage of program participants employed during the second quarter after completing the program;
- Percentage of program participants employed during the fourth quarter after completing the program;
- Median earnings of program participants;
- Percentage of participants who obtain a postsecondary credential or high school diploma;
- Percentage of participants who during a program year achieve a measurable skill gain; and
- Effectiveness of serving employers.

### One-Stop Centers

WIOA requires that state boards establish criteria for measuring “the effectiveness, physical and programmatic accessibility, and continuous improvements” of One-Stop Centers.<sup>101</sup> The state must do so in collaboration with local boards and elected officials at least every three years.

### Employment & Training Activities

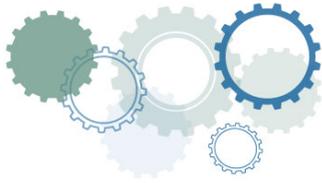
WIOA maintains formula funding for youth services but places a significant priority on out-of-school youth, with 75 percent of funding going toward career pathways, diploma obtainment and recognized post-secondary credentialing.

The law also preserves governors’ 15 percent set-aside for statewide activities. This provides some flexibility to address developing trends and issues and also provides funding to develop innovative approaches to workforce challenges.

Notably, the bill eliminates the sequence of services required under WIA and instead allows largely the same services to be delivered as deemed necessary. This change should allow for service delivery that is tailored to the needs of workers, job seekers and employers, as opposed to a prescribed series of services that must be provided regardless of need.

<sup>100</sup> U.S. Department of Education, “WIOA,” p. 11.

<sup>101</sup> Harkin et al., “Statement of Managers,” p. 5.



## Title II: Adult Education and Literacy

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WIOA “places an emphasis on ensuring States and local providers offer basic skills, adult education, literacy activities, and English language acquisition concurrently or integrated with occupational skills training to accelerate attainment of secondary school diplomas and postsecondary credentials.”<sup>102</sup> Through WIOA, state and local adult educators are integrated into both the unified state plan and the performance measures for core programs. The intention is to ensure open collaboration between educators and workforce professionals. The ideal outcome is education programs that are more relevant to current labor trends and beholden to measurable outcomes, similar to those of employment and training programs in Title I.

Particular consideration is to be given to programs that ensure a smooth transition from secondary to post-secondary or credentialing education, and programs that provide training toward these goals while working (such as apprenticeships). WIOA provides for technical assistance and professional development that will help state and local providers of adult education and literacy programs meet new requirements under the law.

## Title III – Amendments to the Wagner-Peyser Act

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Under WIOA, Wagner-Peyser remains largely the same except for three important structural and performance-minded changes. First, federal employment services offices are to be physically co-located with state, local and One-Stop Centers in order to promote further streamlining between state and local resources and federal employment services. Second, the performance measures for Wagner-Peyser under WIOA will be the same as the other four core program areas. Finally, the employment statistics system is replaced by the “workforce and labor market statistics system” and the Workforce Information Advisory Council, which advises the secretary of labor on current labor trends. The advisory council composition includes one member representing an economic development organization.

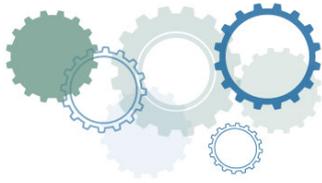
## Title IV – Amendments to the Rehabilitation Act of 1973

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This section of WIOA focuses on education, training and employment services for individuals with disabilities. Lawmakers included Title IV in WIOA to increase the availability of resources and opportunities to a traditionally marginalized segment of the labor force. Thus, the population with disabilities will be included in the unified state plan and local workforce plans, and plans for education and training for disabled populations will be held to the same performance measures as Titles I-III.

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<sup>102</sup> Harkin et al., “Statement of Managers,” p. 6.



## Economic Development Implications for WIOA

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As noted earlier, the real impact of this new legislation cannot yet be fully anticipated. The regulations currently being written by the departments of Labor, Education, and Health and Human Services will paint a more complete picture of exactly how the law will be implemented and executed, which will further illuminate the road ahead and allow for more concise commentary and planning. Regardless, significant advancements in the areas of program administration, planning, and accountability are apparent from the statute itself.

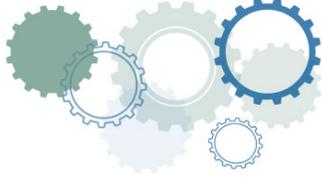
For economic developers, the legislation is a mixed bag. First, there is no required inclusion of economic development professionals at all levels of board creation. Aligning the strategic plans of state and local workforce development with those of regional economic development groups is a promising step, but without a requirement for participation, economic developers may be overlooked when boards are formed. As well, without a guarantee of economic developers' participation, workforce developers' efforts to engage regional economic plans may lead to confusion and missed opportunities to fully leverage the important linkages between the two groups. To be clear, economic developers are not shut out of the governance structure of state and local boards under WIOA; rather, they are identified as optional members.

The requirement for a unified state plan that takes local and regional plans into account should work to benefit economic development, which has been heavily engaged in these areas for a long time. The requirement to include adult education, workforce labor information systems, and programs for individuals with disabilities along with employment and training activities bodes well for a system that communicates better and more efficiently. Coupled with a common set of performance measures, economic developers can be hopeful that the new federal workforce system will address many of the issues for which the old system was maligned such as poor governance, poor collaboration, poor communication, and exclusion of existing job creation plans.

Congress still must act to fully fund the provisions of WIOA (which is authorized through 2020), and therein lies potential for failure. Inconsistent funding was a major force against WIA's effectiveness, especially after it expired in 2013.

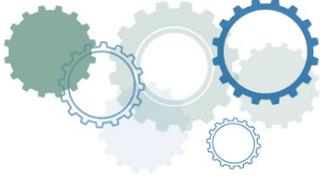
### **Action Steps for Economic Developers**

At this stage in WIOA's early existence, economic developers are best served by actively engaging fellow stakeholders in sector strategies. Beginning at the local level—with workforce investment boards, community colleges, One-Stop Centers and elected officials—up through the state-level counterparts of these entities, early engagement will be essential to the role of economic developers in the WIOA system for the next five years. While economic development is acknowledged as an important partner in workforce development, the actual role of economic



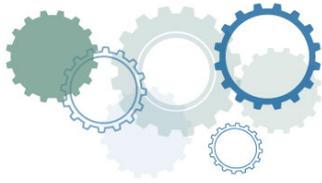
developers in the planning, execution and evaluation of programs provided under WIOA is not guaranteed by the law itself.

In the end, WIOA represents a bold step into the future of workforce development, and economic developers can and should be a key player in its implementation. In order to be most effective, economic developers will need to assert their interests in the process of state and local workforce planning early and often.



International Economic Development Council

## Economic and Demographic Shifts



## Defining the Problem

### What are the Causes of the Worker/Job Gap?

Seismic shifts have brought the impact of workforce on economic development into sharp focus. One major issue is the looming retirement of so-called “baby boomers” and the workforce needs their exit will create. Demographic change is coupled with an economy that has fully transitioned from an industrial model to one based on information. These trends contribute to specific problems faced by economic developers.

### Demographic Shift

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Demographics—especially as they relate to age—pose a challenge to the workforce pipeline. Right now, the demographic cohort known as baby boomers make up a large percentage of the labor force. In 2011, the Stanford Center for Longevity found that workers aged 55-plus accounted for 21 percent of 140 million private, non-farm jobs in the United States.<sup>103</sup> Their numbers totaled 29 million.<sup>104</sup>

As this generation retires, they will need to be replaced in their jobs. The U.S. Bureau of Labor Statistics forecasts approximately 54.8 million total job openings in the 2010-2020 time period with over half—61.6 percent—from “replacement needs.”<sup>105</sup> Baby boomers make up a large share of employees in the four largest industries—health care, retail, manufacturing, and education—employing 13 million people over age 55 in 2011.<sup>106</sup> The risk of knowledge loss and replacement needs are even higher for industries with a large share of older workers, including agriculture, real estate, and educational services. Many of these jobs will require skills that new recruits may not possess.

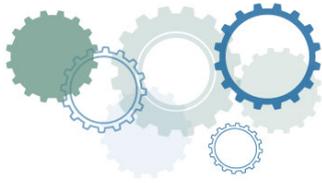
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<sup>103</sup> Adele Hayutin, Michaela Beals, and Elizabeth Borges, [The Aging US Workforce: A Chartbook of Demographic Shifts](#), (Palo Alto, CA: Stanford Center on Longevity), p. 17.

<sup>104</sup> Hayutin et al., *Aging*, p. 17.

<sup>105</sup> C. Brett Lockard and Michael Wolf, [“Employment Outlook: 2010-2020: Occupational employment projections to 2020.”](#) *Monthly Labor Review*, (84), 2012.

<sup>106</sup> Hayutin et al., *Aging*, p. 17.



Economic developers will likely be engaged with the problem of how to fill positions vacated by baby boomers. Systems will need to be in place to deliver the types of training and education required for vacant jobs.<sup>107</sup>

The supply of workers filling these positions is poised to disrupt business. In the United States, the millennial generation numbers 98 million, while the baby boomer generation has 78 million members. From a numbers standpoint, it may seem that replacement is not an issue. However, younger employees often do not have the skills and knowledge to replace older workers.<sup>108</sup> Generation X, ages 34 to 49, is poised to take over many of these positions, although their population of 82.1 million is smaller than that of the millennials.<sup>109</sup> As this middle generation steps into leadership roles, upskilling the younger generation to take on more responsibility will be a major concern. As the Society for Human Resource Management points out, attracting, retaining, and developing millennial employees may be a challenge due to issues such as the rising cost of education and slow career trajectories.<sup>110</sup>

## Immigration

With fewer qualified, younger workers, increased immigration is one way to supplement the workforce. In many cases, immigrants are well-suited for workforce needs. Roughly 80 percent of immigrants are of “working age,” classified as 18- to 64-year olds, compared to only 60 percent of the native-born population.<sup>111</sup> This is due to the tendency of young to middle-aged adults to immigrate without their families. The following graph shows how the working-age immigrant population compares with that of the native-born.

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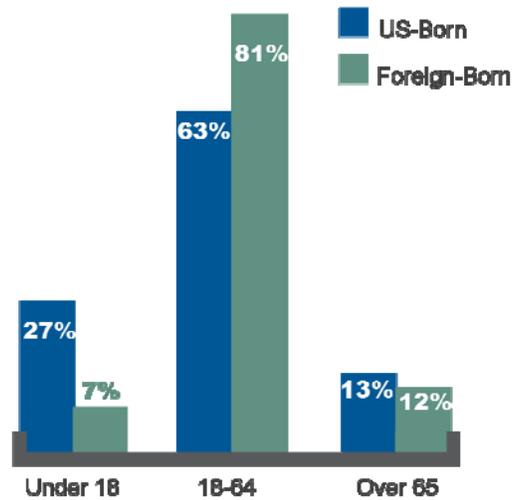
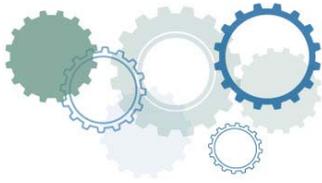
<sup>107</sup>Society for Human Resource Management, *SHRM: Workplace Forecast: [The Top Workforce Trends According to HR Professionals](#)*, 2013, p. 14.

<sup>108</sup> SHRM, “Trends” 14.

<sup>109</sup>George Masnick, “[Defining the Generations](#)”, *Harvard Joint Center for Housing Studies*, *Housing Perspectives*, November 28, 2012. Retrieved January 1, 2015.

<sup>110</sup> SHRM, “Trends,” p. 18.

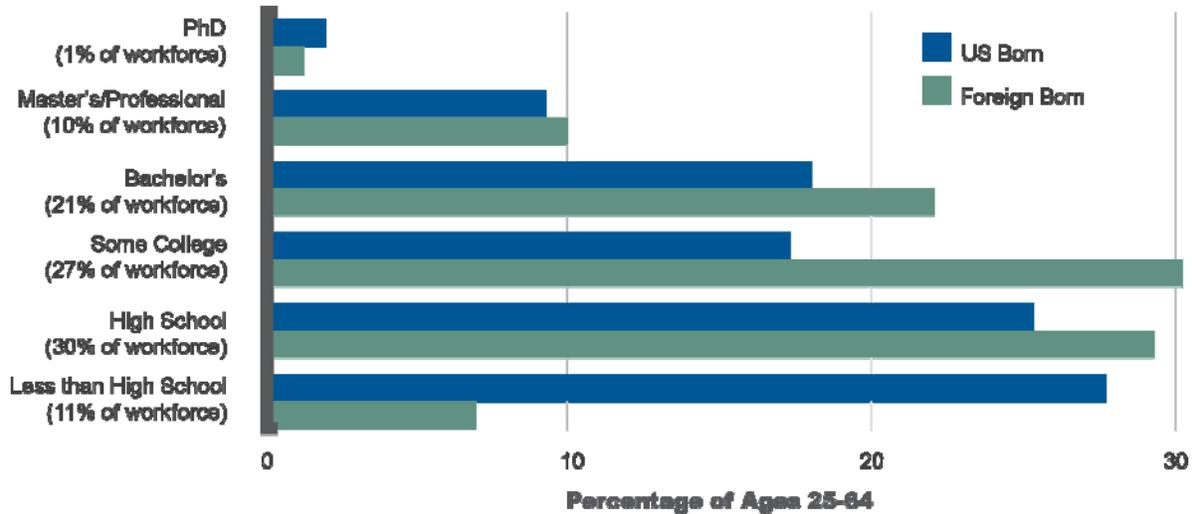
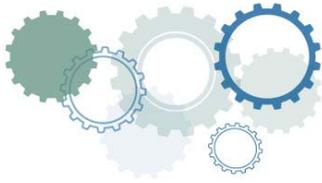
<sup>111</sup> 2010 American Community Survey 1-Year Estimates, “SO501: Selected Characteristics of the Native and Foreign-Born Populations”.



**Figure 7: Age composition of U.S.-born and foreign-born population**

*Data source: U.S. Census Bureau,  
American Community Survey, 2010*

Furthermore, immigrants' educational attainment eclipses the native-born population at both the lowest end (less than a high school diploma) and at the highest end (doctoral degrees). In practical terms, this positions immigrants to take the lowest-skill and lowest-wage jobs that native born populations do not, as well as higher-skilled, specialized positions. Additionally, immigrants are an essential part of the STEM workforce, both representing and attaining more STEM degrees in higher education than the native-born population.



**Figure 8: Educational attainment of foreign-born and native-born population**  
 Data source: IPUMS-CPS - 2008-2009 March CPS. Foreign Born Population Ages 25 to 64.

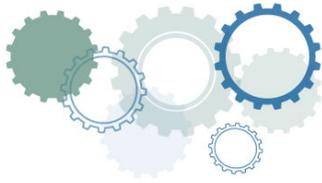
## Economic Shift

The shift from the industrial economy to the knowledge economy that began in the 1970s has only gained momentum in its impact on the workforce. In the past, career advancement was tied to the number of years in a place of employment, but in today's economy, advancement is tied to knowledge. This shift is reflected in workers' increased responsibility for their own career advancement; employees are now responsible for developing new skills, obtaining credentials, and navigating a volatile labor market on a more regular basis.<sup>112</sup>

The economic shift dovetails with the demographic shift, as more millennials are trying to move ahead in their careers and more baby boomers are exiting high-paying, knowledge-oriented positions. However, the shift leaves many younger workers in a lurch as they struggle to match their education to the labor market.

Young workers today are more likely to be in low-wage retail and personal service occupations than in middle-wage, blue-collar positions, which is a major shift from three decades ago. A 2013 report from Georgetown University's Center on Education and the Workforce found that in 1980, 35 percent of young workers were employed in blue-collar occupations; by 2010, that share declined to 19 percent. Over the same period, the share of young workers employed in food/personal service occupations increased from 15 percent to 27 percent. The implication is

<sup>112</sup> Garmise, *People and the Competitive Advantage of Place*, p. 24.



that young workers are no longer finding jobs in blue-collar occupations; the growing service sector has taken the place of blue-collar employment.

By contrast, older workers (ages 55 to 59) have shifted out of blue-collar occupations into high-paying managerial or professional office jobs, professional or technical healthcare positions, and STEM occupations. Between 1980 and 2010, the share of older workers in blue-collar occupations declined from 34 percent to 21 percent, while the share working in managerial or professional office occupations increased from 13 percent to 18 percent. These statistics indicate that older workers are leveraging their past experience in blue-collar jobs to move into knowledge centric positions

For both younger and older workers, blue-collar, middle-wage jobs are declining. The jobs often gave older workers the experience and skills to move into managerial roles—experience that can be lacking in low-skill, low-wage retail jobs.

### **Job Requirements Reflect Changing Economy**

Economic restructuring and accompanying technological innovations have increased the level of training needed, with an emphasis on higher education. As a result, job requirements for entry-level positions have skewed toward college degrees. The 2013 study Georgetown University study, referenced above, found that certification requirements were increasing. It found that in 1973, 28 percent of job openings required at least some post-secondary education and training; in 2010, that share increased to 59 percent, and by 2020 it is projected to rise to 65 percent.<sup>113</sup>

While jobs have become increasingly complex, therefore demanding an increase in skills and education, there is some evidence that employers are inflating the need for a baccalaureate degree. A report from Burning Glass Technology finds that employers are seeking baccalaureate talent for what have historically been sub-baccalaureate jobs. For example, 65 percent of advertisements for executive secretaries and executive assistants now call for a bachelor's degree, while only 19 percent of people currently employed in this field have one.<sup>114</sup>

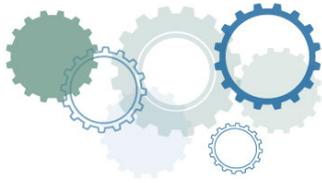
For some positions, specifying a baccalaureate degree is a way to ensure that future employees have technological skills. But for others, the requirement of a degree for jobs previously staffed at the sub-baccalaureate level eliminates potentially appropriate candidates and exacerbates the problem of replacing retiring workers.<sup>115</sup> Interestingly, the Burning Glass study found less credential inflation when alternatives such as licensing or certification standards existed in the field.

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<sup>113</sup> Anthony P. Carnevale, Nicole Smith, Jeff Strohl, [\*Recovery: Projections of Jobs and Education Requirements Through 2020\*](#), (Washington, DC: Georgetown Public Policy Institute Center on Education and the Workforce), 2013, p. 15.

<sup>114</sup> Burning Glass, [\*Moving the Goalposts: How Demand for a Bachelor's Degree is Reshaping the Workforce\*](#), Boston: Burning Glass), 2014, p. 2.

<sup>115</sup> Burning Glass, *Goalposts*, p. 3.



On one hand, demand for post K-12 education is rising, while on the other, there is evidence that employers are not calibrating training needs to job responsibilities. This conundrum indicates the need for a diverse training environment that includes higher education as well as industry credentialing and licensing. Author Shari Garmise writes,

“While higher education degrees are an essential piece in building human capital, alone, they will not be sufficient to keep pace with knowledge development. Given that we do not know what problems, industries, or technologies future generations will need to manage, in good part because they do not exist, we need education, training, and other labor market institutions that can continuously adapt to meet yet unrecognized needs.”<sup>116</sup>

This framework creates a new challenge for economic developers involved in workforce development. When training for workers is continuous, instead of ending at graduation, appropriate partners will need to be engaged at different times during workers’ careers. In this new paradigm, knowledge is currency. The key to regional prosperity will lie in developing systems that allow for the transfer of knowledge. Economic developers will be involved in brokering this knowledge from business to educational systems to workers.

## Emerging Workforce Challenges for Economic Developers

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Just as economic development issues around the country differ, so too do workforce development issues. Baby boomer retirement, transitioning economies, and long-term unemployment are examples of workforce development problems that may hinder economic growth. The complex problems that contribute to workforce shortages have been created by massive shifts in how the economy operates.

Building a comprehensive workforce development system to address the changing needs of business, as well as the issues of equity and chronic unemployment, will take more than simple cooperation with state and local workforce investment boards; it will take a sustained, holistic approach to human capital development on a regional scale. Luckily, an adaptable model that addresses comprehensive, collaborative workforce development exists in the sector strategy approach.

Demographic and economic shifts occur so subtly that it can be difficult to see how they impact the daily work of economic development as it relates to workforce issues. Some of the most visible shifts are detailed below.

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<sup>116</sup> Garmise, *People and the Competitive Advantage of Place*, p. 24.

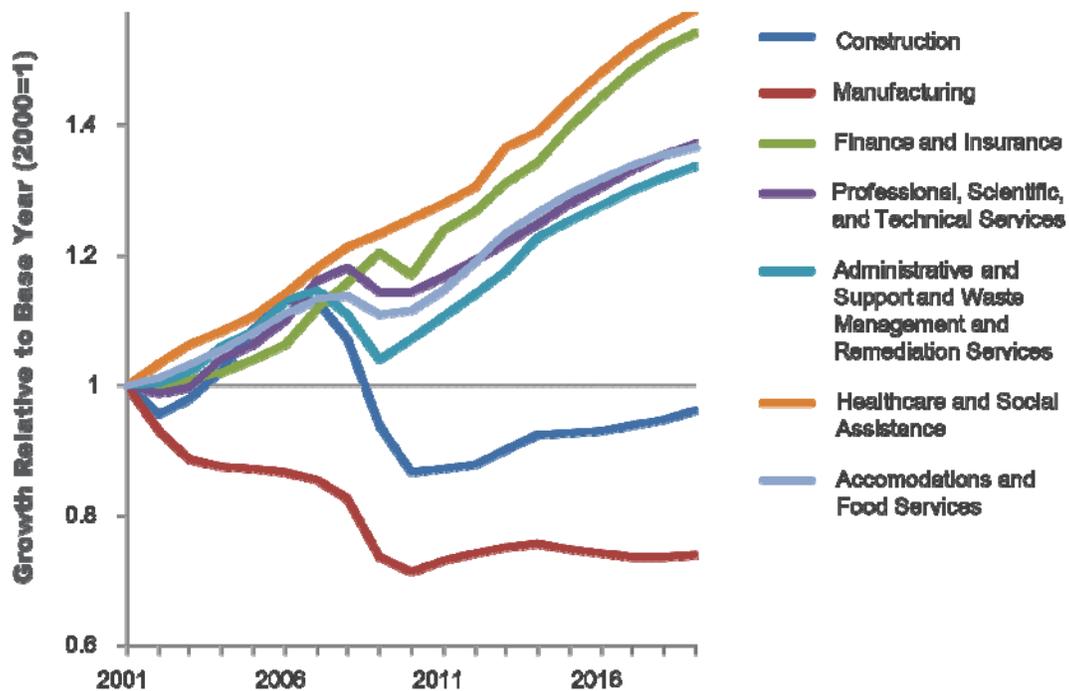
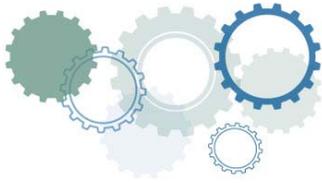


Figure 9: Employment levels in selected 2-digit NAICS industry classifications, by absolute and relative growth 2001-2019.

Data source: Economic Modeling Specialists Inc. (EMSI) proprietary data.

As the graph in Figure 9 shows, manufacturing and construction industries contracted significantly from 2001 to 2011. However, from 2011 onward, employment in these sectors remains relatively stable. Other large industrial divisions in the economy, such as health care and finance are growing rapidly.

Figures 10 and 11 show sample occupations that have contracted, as well as those that have grown. Selected occupations that will have significantly contracted, 2001-2024 are manufacturing jobs in textiles, metals, and electrical equipment. Selected occupations that will have grown significantly, 2001-2024 are dominated by finance/insurance, real estate, and nursing.

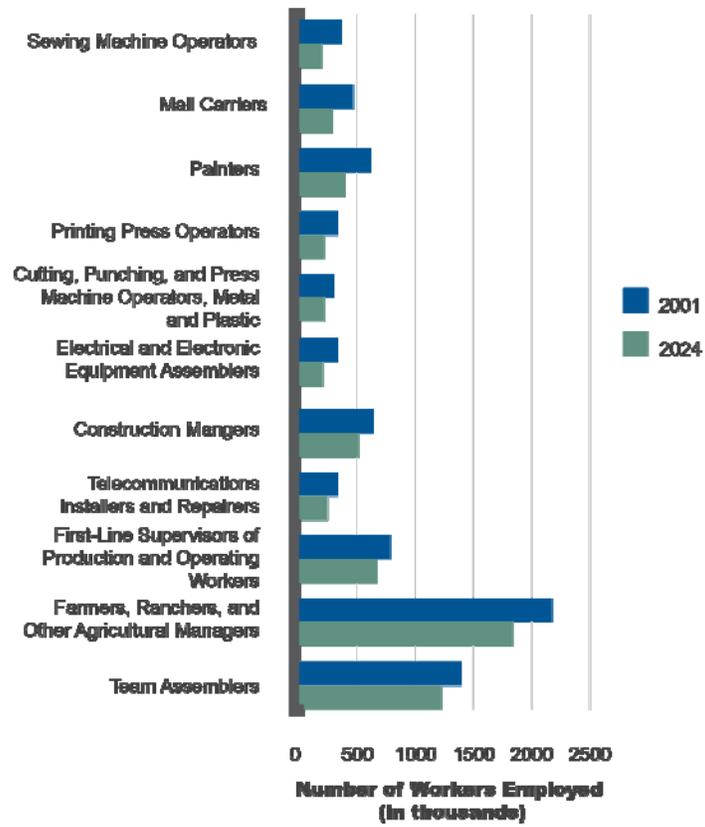
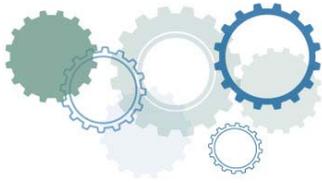


Figure 10: Selected high contraction occupations, 2001-2024..  
 Data source: Economic Modeling Specialists Inc. (EMSI) proprietary data.

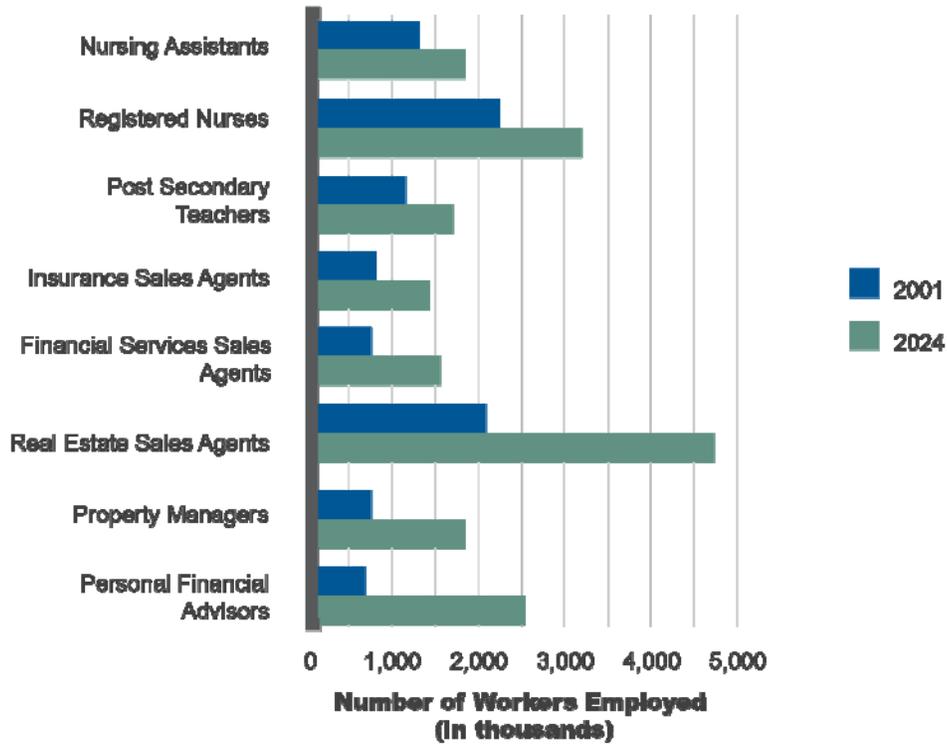
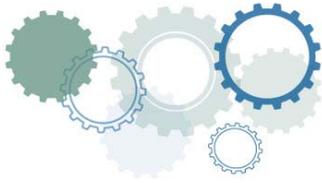
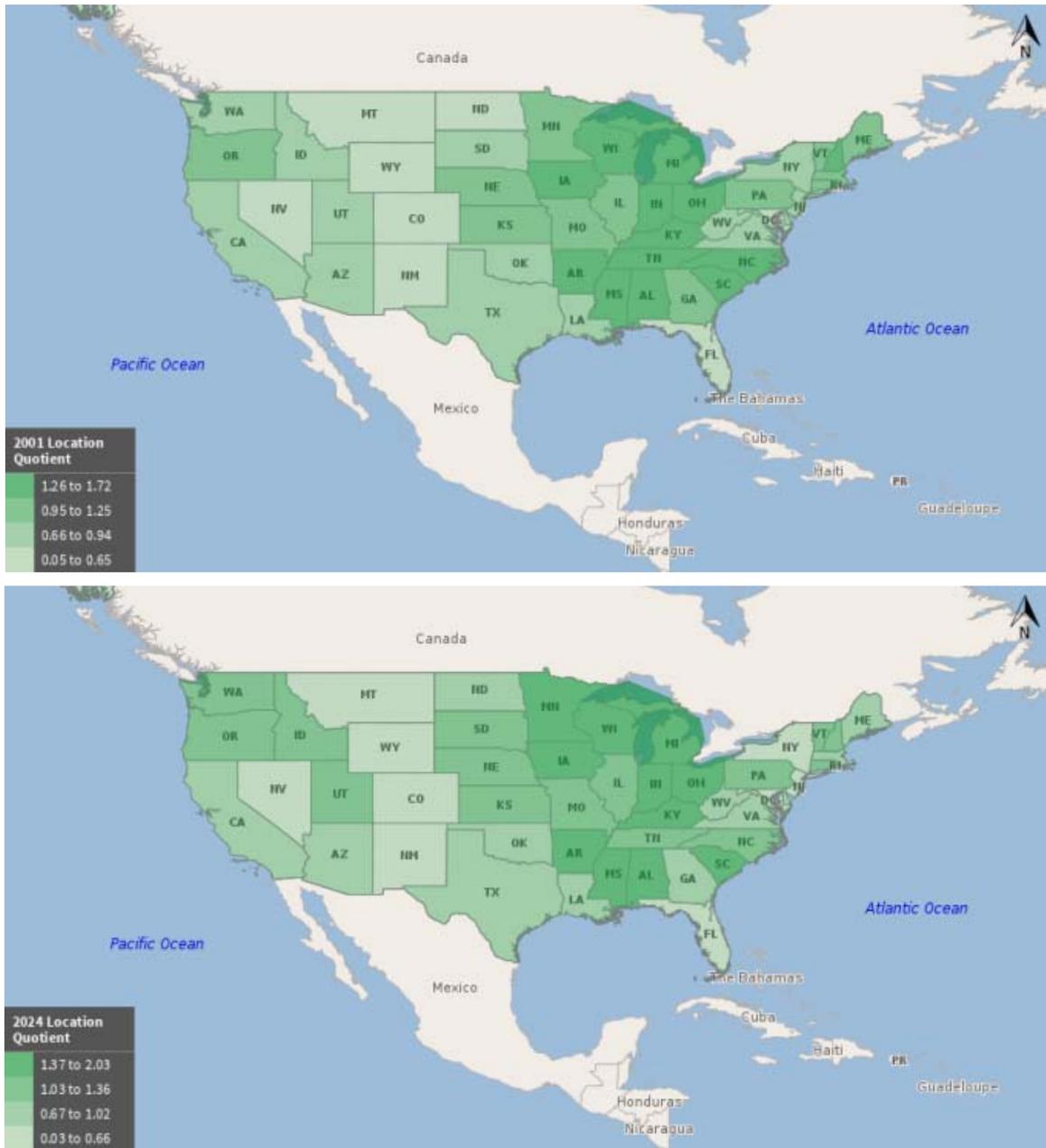
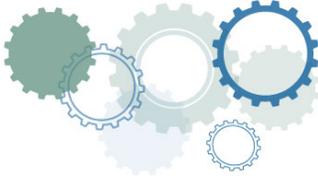


Figure 11: Selected high growth occupations, 2001-2024.  
 Data source: Economic Modeling Specialists Inc. (EMSI) proprietary data.

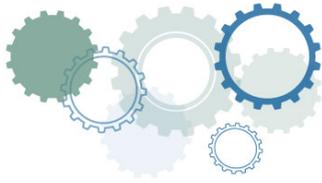
## Manufacturing Rebirth

One of the industries most vulnerable to workforce fluctuations is manufacturing. Manufacturing jobs decreased in the last 30 years as companies moved offshore to take advantage of lower labor costs and a less regulated environment. Figures 12 and 13 show how manufacturing has changed over the last several years. But recently, increasing costs of offshore labor, as well as a desire to locate production and R&D closer together, have stemmed the flow of manufacturing jobs going abroad.<sup>117</sup>

<sup>117</sup> Michael Dolega, "[Offshoring, Onshoring, and the Rebirth of American Manufacturing](#)," *TD Economics*, October 15, 2012, p. 1.



**Figure 12 and 13: Location quotients for manufacturing, 2001 and 2024.** Manufacturing is becoming more concentrated in traditional Midwestern and Northeastern locations.  
*Image source: Economic Modeling Specialists Inc. (EMSI).*



The manufacturing industry in North America faces two challenges: Older workers in existing jobs will need to be replaced, and new jobs require new, more advanced skills. Older workers currently account for 20 percent of this sector.<sup>118</sup> Their impending retirement will create a need for new workers. Furthermore, existing older workers may need further training to adapt to the changing technology of the industry.

In manufacturing, much of the challenge in recruiting will stem from technological advances that have changed the nature of the work. Though significant job growth in manufacturing is not projected, a survey of manufacturing executives reveals concerns about the future availability of qualified workers.<sup>119</sup> A Deloitte study found that the most significant labor need in manufacturing was for highly skilled workers, including engineering technologists, and science and design workers.<sup>120</sup>

Furthermore, attracting young, skilled workers to the sector is a challenge. According to Deloitte, among 18- to 24-year-olds, manufacturing ranked last among industries in which they would choose to start their career.<sup>121</sup> Manufacturing jobs are changing, but still need to be filled in order to keep the industry alive in the United States.

### Lack of STEM Workers

The science, technology, engineering, and math (STEM) fields and those who work in them are major sources of economic growth and innovation. According to one recent estimate, while only 5 percent of the U.S. workforce is employed in STEM fields, the STEM workforce accounts for more than 50 percent of the nation's sustained economic growth.<sup>122</sup> Outside of traditional STEM occupations, STEM skills are and will continue to be needed across a wide variety of industries. Thus, the demand for STEM skills is much greater than the jobs in specific STEM fields.

The technological innovations that have occurred in tandem with the rise of the knowledge economy make STEM skills increasingly in demand across all fields. A 2011 report entitled *STEM: Science Technology Engineering and Mathematics*, by Georgetown University's Center on Education and the Workforce, notes that, "In all but two occupational clusters (Sales and Office Support and Community Services and Arts), the rate of growth in demand for core STEM competencies has increased at far greater rates than the growth in employment."<sup>123</sup>

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<sup>118</sup> Hayutin et al., *Aging*, p. 17.

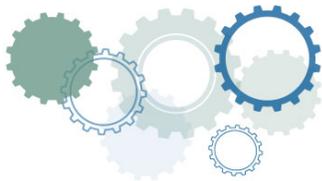
<sup>119</sup> Hayutin et al., *Aging*, p. 17.

<sup>120</sup> Tom Morrison, Emily Stover DeRocco, Bob Maciejewski, Jennifer McNelly, Craig Giffi, and Gardner Carrick, *Boiling Point: The Skills Gap in U.S. Manufacturing*, (Washington, DC: The Manufacturing Institute), 2011.

<sup>121</sup> Morrison et al., *Boiling Point*.

<sup>122</sup> Jobs for the Future, *The STEM Workforce Challenge: The Role of the Public Workforce System in a National Solution for a Competitive Science, Technology, Engineering, and Mathematics (STEM) Workforce*, (Washington, DC: U.S. Department of Labor), 2007.

<sup>123</sup> Anthony P. Carnevale, Nicole Smith, and Michelle Melton, *STEM: Science, Technology, Engineering and Mathematics*, (Washington, DC: Georgetown University Center on Education and the Workforce), 2011, p. 9.



There is some debate among policy analysts regarding the intensity of the STEM skill shortage. Overall, workers possessing STEM skills and those working in STEM industries are among the highest paid.<sup>124</sup> However, real wages in the IT fields have stagnated.<sup>125</sup> Much of the debate around STEM workforce levels relates back to the national conversation about immigration (especially for temporary worker visas), as well as education reform and investment in technology training.

However, the Georgetown University Center on Education and the Workforce has proposed an alternative take on STEM shortages. Its 2011 report explains that the growing demand for STEM workers causes students and workers with these competencies to be highly sought, and even “poached” by non-STEM industries. This process, which the report labels “diversion,” is causing students and workers to steer away from STEM degrees and careers for a number of reasons, including their ability to access superior earnings in other fields, and a mismatch in work interests and work values.<sup>126</sup> Solving this diversion problem will be linked to an increase in STEM training across the educational spectrum, and a commitment to diversity within the field.

### Changing Structure of Employment

In response to larger economic trends, the structure of business is changing. Increasingly, firms are outsourcing knowledge-intensive services from sources external to their companies, including smaller firms and individual practitioners, in order to take advantage of economies of scale and scope.<sup>127</sup> In the past, these activities were largely conducted in-house due to different specifications for each firm and industry. But now, business services such as software development, research and development, and other knowledge-intensive service activities—including legal, advertising and recruitment services—are hired in from specialized firms.<sup>128</sup>

Business services firms retain large numbers of employees, but increasing specialization has led to opportunities for the self-employed as well. Freelance workers are emerging as a major component of the workforce. Estimating the number of freelance workers can be difficult, as Census and BLS data does not provide clear-cut classifications. However, one independent study commissioned by the Freelancers Union and Elance-oDesk estimates that 53 million Americans—34 percent of the U.S. workforce—are working as freelancers.<sup>129</sup>

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<sup>124</sup> Jonathan Rothwell, “[Still Searching: Job Vacancies and STEM Skills](#),” Brookings Institution, July 1, 2014. Retrieved January 15, 2015.

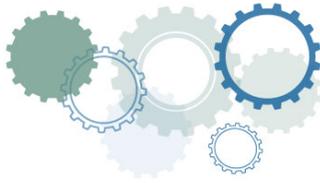
<sup>125</sup> Hal Salzman, Daniel Kuehn, and B. Lindsay Lowell, [Guestworkers in the High-Skill U.S. Labor Market](#), (Washington, DC: Economic Policy Institute), 2013.

<sup>126</sup> Carnevale et al., *STEM*, p. 10.

<sup>127</sup> Organization for Economic Cooperation and Development, [Globalisation and Structural Adjustment: Summary Report of the Study on Globalisation and Innovation in the Business Services Sector](#), (Paris: OECD Publishing), 2007.

<sup>128</sup> OECD, *Globalisation and Structural Adjustment*.

<sup>129</sup> Freelancers Union and Elance-oDesk, [Freelancing in America: A National Survey of the New Workforce](#), (New York: Freelancers Union).



This number includes independent contractors, moonlighters who have professional jobs, diversified workers with multiple sources of income, temporary workers, and freelance business owners.<sup>130</sup> Not all of these freelancers are working with business services; many are entrepreneurs out of necessity, or making ends meet with temporary jobs. Workforce challenges for this population include education on tax structures and best practices, as well as ensuring easy access to up-to-date training and credentialing programs.

### Framework of Knowledge Quantification Changing

Education is the means by which the workforce of the future will be created. Post-secondary education, especially a four-year degree, is viewed as the gold standard qualification for jobs. Georgetown's Center on Education and Workforce predicts that by 2020, 35 percent of job openings will require at least a Bachelor's degree, and 30 percent of job openings will require some college or an associate's degree.<sup>131</sup>

Therefore, 65 percent of jobs will require what GCEW calls "formal" education, defined as some college, associate's degree or bachelor's degree. However, formal education represents only 35 percent of the entire post-secondary education and training system in the U.S.<sup>132</sup> The other 65 percent is made up of informal, non-traditional training such as public job training, employer-provided formal training, apprenticeships, industry certification, and employer-provided informal training.<sup>133</sup> The latter makes up the largest percentage of this kind of training. Without the credential of a degree, workers will not qualify for a job, which means that they will also not be able to take advantage of much of the informal training offered by employers.<sup>134</sup>

While formal education is the accepted requirement for job suitability, dependence on this qualification may be keeping eligible candidates out of appropriate positions. This is especially troubling due to the chicken-and-egg scenario faced by low-skilled, low-income people who cannot access jobs because they do not have a degree, and cannot obtain a degree due to costs. Alternative means of assessing competency can ultimately lead to more equitable hiring.

One way to accomplish this is to acknowledge that learning occurs outside of both formal and informal systems—through life experience, past employment, or even through media such as the Internet. One suggestion for employers is to use different ways of quantifying knowledge, or using behavioral or performance-based hiring techniques. These include, for example, work-based tests assessing applied knowledge, behavioral-based assessments or interviews, and

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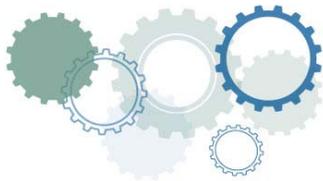
<sup>130</sup> Freelancers Union, *Freelancing*.

<sup>131</sup> Carnevale et al., *Recovery*.

<sup>132</sup> Anthony P. Carnevale, Nicole Smith, and Jeff Strohl, [\*Help Wanted: Projections of Jobs and Education Requirements Through 2018\*](#), (Washington, DC: Georgetown University Center on Education and the Workforce), 2010.

<sup>133</sup> Carnevale et al., *Help Wanted*.

<sup>134</sup> Carnevale et al., *Help Wanted*.



performance-based work samples. All these techniques fall under the umbrella of “competency-based hiring,” which can ultimately help employers hire talent that they would otherwise overlook in their degree-anchored hiring systems.

The following tables show the relationship between job openings and occupationally relevant programs.

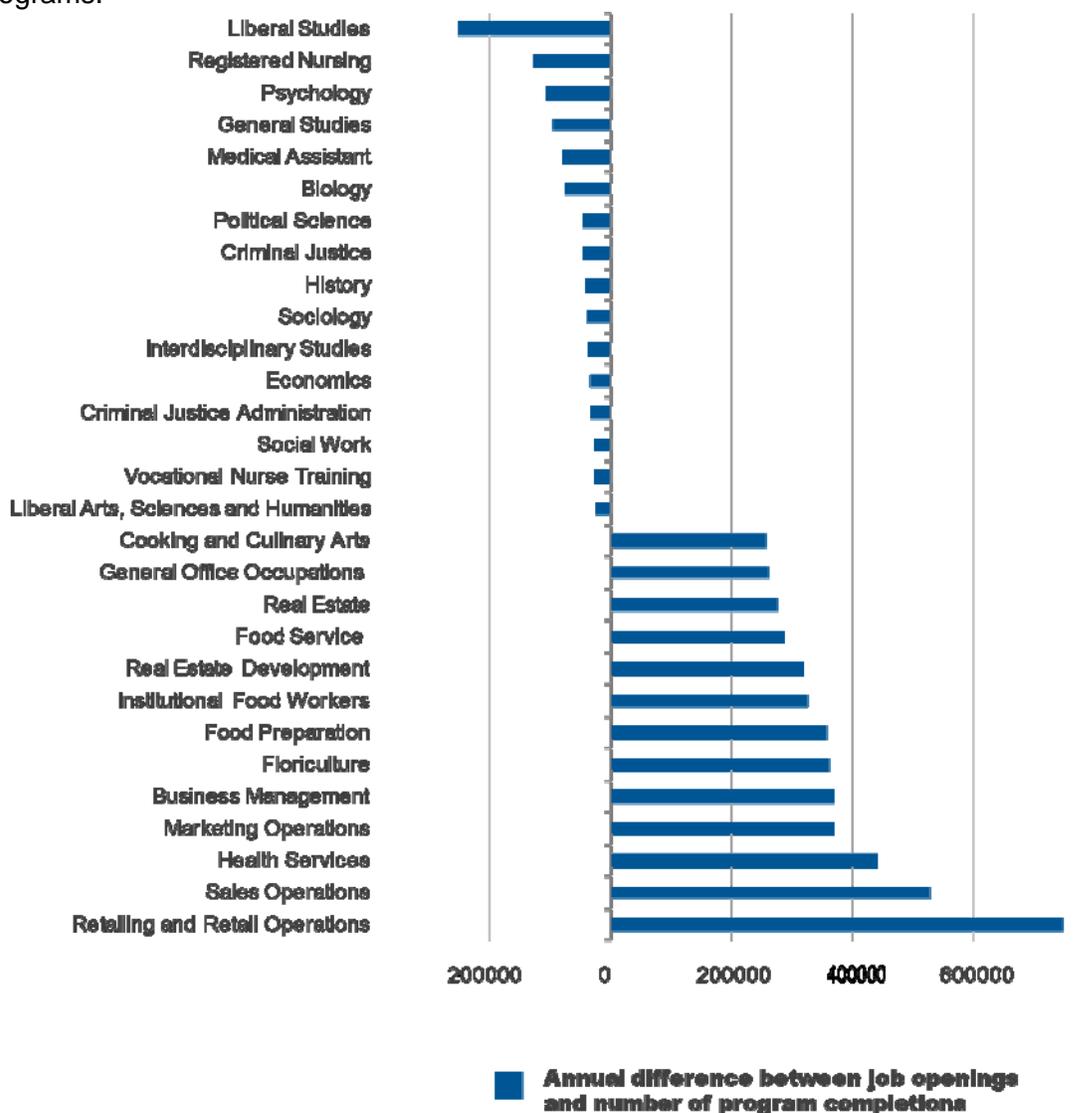
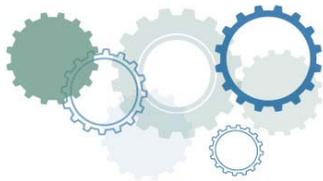


Figure 15: Occupations for which there were the largest number of openings relative to program completions and the largest number of program completions relative to job openings, 2013.  
 Data source: Economic Modeling Specialists Inc. (EMSI) proprietary data.



The graph above shows occupations in which there is a very high ratio of posted job openings compared with the number of occupational program completions, as well as program completions that few occupational openings demanded.

Economic Modeling Specialists, Inc. (EMSI) monitors job postings across the United States to analyze the number of postings across industries and occupations, as well as the types of skills, certifications, and experience required in these fields. Using a proprietary algorithm, EMSI analyses which skills are most commonly cited in job postings for each occupation. Aggregating the top 10 jobs by pay, number of Americans employed, and fastest employment growth rate, the following table shows the skills which are most frequently mentioned in job postings.

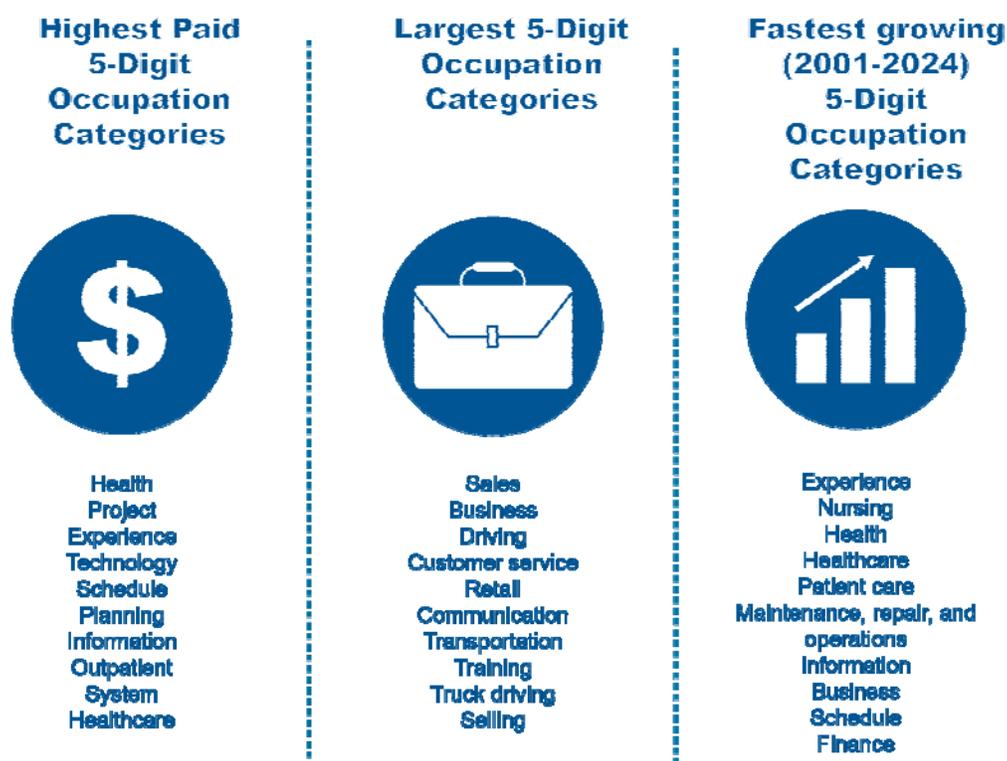
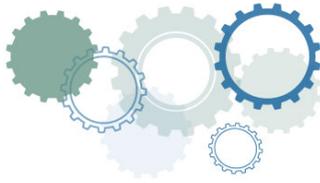


Figure 14: Most mentioned skills found in job postings for the ten occupations with a) highest pay b) largest number of workers employed and c) fastest growth rates (2001-2024).  
 Data source: Economic Modeling Specialists Inc. (EMSI) proprietary data.





accommodation and food services. States in the Sunbelt and Southeast will be expected to see growth in these industries of above 75 percent. Growth in these large industries will be slower in Midwestern and Northeastern states such as Ohio, Pennsylvania and Illinois.

Long-term unemployment is elevated for workers across all education levels.<sup>137</sup> The phenomenon is not confined to workers in more geographically anchored industries. However, a hypothesis of regional job mismatch can be supported with information about recent relocation patterns.

In 2007-2008, the overall U.S. migration rate reached its lowest point since World War II; this figure refers to people moving within the U.S., not emigrating from another country.<sup>138</sup> The overall rate of relocation has increased from that time, but even so, about 40 percent of those moving on an inter-county basis moved less than 50 miles.<sup>139</sup> This sharp downturn in Americans' mobility can be attributed to the bursting housing bubble and the financial crisis, which made selling homes and finding financing for new homes more difficult. In turn, workers were less likely to change jobs, or even move to new areas for jobs, if they were unemployed. One suggested policy intervention would be to give vouchers to the long-term unemployed to help cover the expense of relocating to a healthier job market.<sup>140</sup>

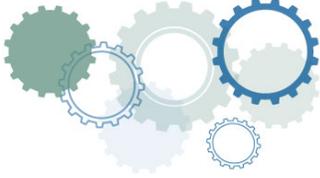
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<sup>137</sup> Economic Policy Institute, "[Understanding Long-Term Unemployment](#)." Retrieved December 22, 2014.

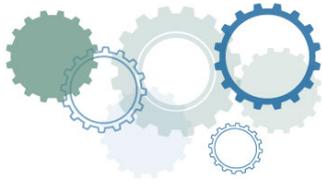
<sup>143</sup> William H. Frey, *The [Great American Migration Slowdown: Regional and Metropolitan Dimensions](#)*, (Washington, DC: Brookings Institution), 2009.

<sup>139</sup> United States Census Bureau "[Census Bureau Reports National Mover Rate Increases After a Record Low in 2011](#)", September 9, 2014. Retrieved December 11, 2014.

<sup>140</sup> Michael R. Strain, "[A New Jobs Agenda](#)," *National Review*, June 3, 2013. Retrieved December 28, 2014. -  
Reihan Salam, "[Michael Strain's New Jobs Agenda](#)," *National Review*, August 12, 2013. Retrieved December 28, 2014.



## Conclusion



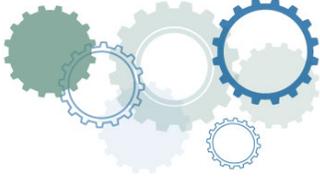
## Conclusion

Workforce development is the next wave of economic development. The overwhelming opinion of the private sector is that businesses grow and prosper where there is a talented, well-suited workforce. Learning to partner with WIBs and education to create this workforce is not an option for economic developers; it is a new requirement of the profession. Creating excellent workforce development systems through sector strategies leads to the retention, expansion, and attraction of jobs.

Working with key industries through sector strategies builds new opportunities for employment. Targeting leading industries provides focus, and ensures that jobs are available to those who go through the process of training. Furthermore, broadening the scope of training by opening up new avenues to gain skills—whether through community colleges, credentialing, apprenticeships, or licensing—provides new pathways to jobs for populations that may not have been able to access training through traditional means.

Furthermore, sector strategies streamline the spending of state and federal education and workforce dollars, increasing the effectiveness of educational institutions and workforce development organizations. With sector strategies, the individually-focused metrics of these public institutions can be met, while providing for the organizational needs of the private sector.

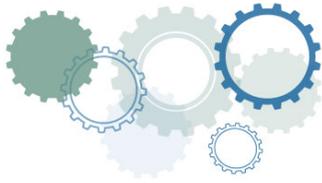
Economic developers, leading from a societal point of view, can be the crux between the public and the private sector. In fact, when surveying the landscape of entities that influence workforce development and business growth, economic developers are in the position of greatest influence. Economic developers have the ability to convene effective partnerships around workforce development, and should recognize their responsibility as change agents in this realm.



## Appendix: Complete Survey Responses<sup>141</sup>

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<sup>141</sup> Answers of the 97 respondents who answered yes to the question, *Would you consent to IEDC/EDRP using your comments, identified by your name and organization, in our workforce report?*



**In the last three years, what changes have you observed in policy, funding, and trends in regards to workforce development among education institutions, businesses, and local and state Workforce Investment Boards?**

As with any other organization or city, workforce development is key to sustainability, future job creation and strengthening current businesses.

Greater efforts to align the needs and resources of all of those mentioned.

The state WIB engaged economic developers in the workforce development planning

Greater emphasis on, but no more funding for

A lot more discussion about workforce in the public and private sectors. A lot of dollars being invested in studying the topic. Mixed results from investments in programs meant to address workforce issues.

Funding continues to decrease. Down roughly \$30 million in the last 5 years at the state level. Even more from the feds.

More of the 4 year universities working with private business and thinking outside of the box to deliver the workforce that businesses need locally.

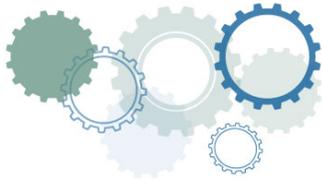
Our Board has partnered with organizations that develop workforce training programs for advanced manufacturing jobs in the area. The programs target middle school and high school kids so they don't go to a 4-year college and come out with loads of debt. Rather they can be introduced to the jobs available in the area and take the classes which will help them develop those skills.

We have begun to see a more proactive approach from our primary/secondary educational institutions in the area of workforce development. Our post-secondary institutions have struggled to adjust their curriculum because of a lack of feedback from the employer community. This is an area where we are getting more engaged through listening sessions with employers and passing the information along to our provider network. The local WIB has invested more dollars into On The Job Training programs as we have begun to climb out of the recession in an effort to encourage employment. We recently hired a new Executive Director for our local WIB and expect to see shifts towards a demand driven system as a result.

The emphasis and importance of workforce development programs has increased considerably. More programs and more resources allocated to this effort.

Local WIB has worked hard to engage business and treat them as a client. State is creating a strategic plan for higher education in part to address workforce needs.

There seems to be less focused commitment, particularly at the State of Illinois policymaking level. It's very fragmented and makes program implementation more difficult. Local WIBs seem to go their own direction. Work with Wisconsin and Indiana, however, is a different story - their WIBs seem to be directed with focus from the state level. Illinois community colleges also each take their own direction.



I'm a vendor with several and each treats workforce development differently.

Funding has decreased for some programs  
More awareness but reductions in funding for education providers.

A lot of talk about the concerns, issues and shortages related to the shortage of skilled workers, but very little usable action items.

With the re certification there seems more interest in young adult populations

Workforce Development is finally receiving the attention that it needs here in Ohio. It is much more of an important issue. New partnerships are emerging.

More investment and programs are needed to accommodate our growing businesses

Beginning to see folks acknowledge that the idea that every kid should be prepared to go to college doesn't make sense. Starting to see more emphasis on vocational training and skills development.  
more emphasis on technical training for advanced manufacturing

In the last year, all areas listed in the question have been investigated and discussed due to the overwhelming need for skilled, qualified job applicants necessary to complete the work forecasted for southwest Louisiana. We also need workers to be capable of passing a drug test. Different issue.

A focus on the workforce initiatives, by getting word out to middle schools (primary education), high school, and community colleges on the labor pool that will be and is required presently.  
More support for WIA authorization More emphasis on internships, OJT  
Indiana has implemented a statewide career council and regional works councils to provide better coordination of skills training and employer demands.

The new WOIA will require more collaboration between economic development and workforce boards - which is very positive.

A shift back to the employer being primary focus of WIB, rather than job seeker. Increase in workforce's importance in landing deals.

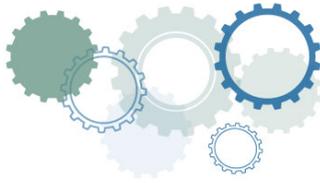
Risen

No change.

We are more active in our regional WIB, we have partnered with adult education and the local schools for more apprenticeships and internship.

Critical need now

1. PA was a leader in Industry Partnerships (sector strategies) with approximately 80 partnerships statewide. The funding was significantly reduced and as a result the # of partnerships has reduced to approx. 20. We believe Industry Partnerships allow for significant employer engagement while



leveraging all partner resources. 2) Training grants for incumbent worker training have been reduced significantly. Training grants bring employers to the table with education and economic development. In return companies give back more to the community in sponsorships and volunteer time. 3) More could be done to assure that educational institutions prepare students for careers. 4) WIB funding goes primarily to individuals with limited resources going to employers and incumbent worker training. 5) Where Industry Partnerships work well, they leverage resources and build collaborative systems.

More collaboration and cooperation between them. Creative ways to leverage resources.

The need is more present thereby dictating a more active collaboration of services which has gained momentum on aligning training with business community need

A better understanding of the issues and more cooperation about all three on common goals.

More activity and efforts directed to the needs of industry

Funding levels have gone down. Performance measures requirements have gone up. Efforts to align workforce supply and demand improving in our region. Local high schools are swinging back to trade skills training. Current WF development programs are not nibble enough.

Much more focus on training needs by industry.

Customized training programs and focus on incumbent workers.

There is more concern, collaboration today than in the past.

WIOA is huge, in Texas HB5

Recently seeing some funding become available.

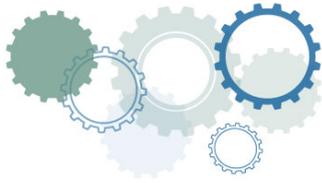
Funding has significantly decreased, resulting in more focused programming

Less effective

Funding for training -- especially incumbent training -- is harder to get. This seems to be the top need for private industry.

K-12 schools are more interested. Community College and K-12 along with IDC are partnering more. Recognition of the need for educational institutions to engage the private sector to explore workforce needs.

Our local community college offers a workforce training grant, however, they have challenges getting employers to utilize it.



State of SC had formed Innovation Office and provided grant fund for innovation, workforce development, and entrepreneurship.

Increasing awareness and understanding of the importance of workforce development among the various players.

Educational institutions seem to be trying to connect with businesses more to understand what skills are needed. Many WIB are missing the opportunity because they are focusing more on the job seeker as opposed to the employer. They are trying to fit the job seeker to a job as opposed to understanding the employers' needs and helping find them the right candidate.

More of a focus to help industries find the right workers

Policy: alignment on common objectives with a new found urgency; Funding: increase in performance outcomes and ROI; Trends: less reactive; efforts to be more proactive. Demonstrating with clarity skill talent pools.

Less emphasis.

Increase in funding and focus towards STEM degrees to close gap on providing ample workforce in technology, life sciences and related careers.

More engagement between EDOs and WIBs. Business can't wait for publicly funded workforce development and training. Needs are now, not two years from now.

Increased emphasis and access to funding.

Disconnect between education and business needs. Private sector is reaching out directly to educational institutions offering aide only not to receive follow up calls from institutions. Multiple instances where this occurs.

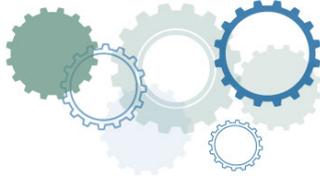
State legislature passed legislation that makes makes vo-tech programs a priority  
Our businesses describe it as a growing need. Workforce development is an integral part of the county's current economic development strategic plan.

None of any consequence

Focus on retention rather than business attraction.  
little change or help

There has been much more interest and support for programs that help develop a pipeline of talent. Our state also has really stepped up with new workforce programs

We have helped our business have a voice at the State on Curriculum requirements in the K-12 system and brought business into the classroom.



no changes in policy at the federal level; state law changed educational policies; WIBs are social services orgs not in place to assist employers.

A commitment to alignment between education and industry needs.

Workforce initiatives are becoming more dual-customer focused (business & individual) and can serve as a valuable tool in Economic Developers' toolbox.

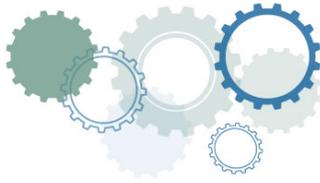
None - it's still a mystery

No sustained model for workforce development. It will become a buzzword for a while, then go silent.

Dissolution of our WIB.

Funding from the federal government remained relatively flat or decreased for several years and appropriations decreased over time to my state. This lack of funding has reduced the impact of WIBs and forced other entities to develop innovative programs without federal support. Private businesses are now investing more in workforce development. In my region, businesses and educational institutions are communicating more effectively and making a stronger effort to work together to successfully train the local workforce for available career opportunities. It appears that with the passage of the WIOA, federal appropriations for workforce development programs will be moving in a positive direction and may improve the delivery of federal programs in my area. Due to advancements in technology, the way in which programs are delivered is also changing, and a significant amount of the federal funding that is received by my state is now invested in technology to make core services available online in an effort to expand outreach to job seekers. There will be some changes in the structure of WIBs as a result of the new WIOA legislation but the real impact of those changes remains to be seen.

We seem to be getting the idea that we need business to drive the future planning for workforce instead of the other way around



**As an economic developer, what role do you take in improving and strengthening workforce development in your community?**

Key role in partnerships - Key facilitator

We have taken a lead role and are launching a new initiative in 2015.

Providing appropriate funding.

Chair our regional Workforce Investment Board

I accept ownership of the issue. I assume as much responsibility as the WIB director, school superintendent, etc.

We try to serve as a facilitator improving the workforce skill set and providing quality applicants for our businesses but letting the experts actually run the programs. Our assistance is primarily financial and in coordination between the private and public sectors.

Expert in data and trends. Leverage existing resources and fill gaps with new services.

Serving as a partner, educator to local politicians, education partners and businesses.

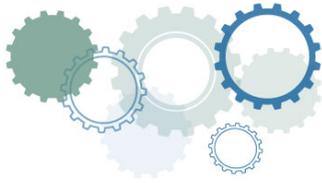
I take an active role knowing that if I am able to help develop the programs which can train workers in our community we will have a strong business retention program as companies will want to stay in the area but we will also have a strong attraction program for companies looking for a pool of skilled labor. We are very active in the workforce development system. We believe that our role is to develop an infrastructure that encourages workforce development in support of strong economic development. We have a host of programs that we coordinate with our local school districts, we advise post-secondary institutions on employer needs, we serve in an active role on our WIB, we meet with employers through forums and one-on-one meetings to assist them in getting engaged in the workforce system but most importantly to understand their workforce needs, we also work with employers that are laying off to get their skilled workforce re-engaged. We made a commitment at the launch of our workforce initiative not to compete with other providers but to act as a facilitator.

As a local economic development office within a larger metro region, we are working to collaborate more with our regional workforce development entity.

Very active role. Work closely with private sector and public sector stakeholders to improve the overall system.

Support institutional reforms. Support WIB initiatives. Promote dialogue between higher education and business.

The economic developer is still the one professional who can take a macro view of the programs. Educational institutions (and businesses) each have a 'silo' perspective.



assisting the training providers and being a liaison between them and business

Workforce is our #1 most valuable product in the marketplace. Therefore, we are making sure all the touch points are being attended to by community organizations and if not, we are making suggestions to the appropriate entities encouraging them to get more engaged.

Identifying the need for 10 years out to deal with the "pig in the python" and making sure we have a workforce ready to meet future needs.

Thinking outside of the typical government or agencies staff that oversees the various workforce programs. Talking about the issues repeatedly will NOT solve the problems. Our organization is undertaking grass roots efforts to develop new methods to reach those who have no idea what career opportunities are available to them.

Pushing for greater presence of higher educational facilities in my count; seeking to know the out-commuting population skill sets for business attraction purposes.

We mainly act as an advocate and collaborator. We bring awareness of workforce issues to our K-12, higher education, career/tech, community colleges, and policy makers.

We are an active player in most local, regional and state efforts

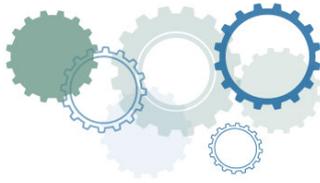
1. Facilitate a dialogue and communication between educators and the private sector. 2. Gathering data and anecdotal information to make the case for funding/resources. 3. Lobbying elected officials to support workforce development programs and investments. 4. Recruit businesses to work with schools and provide internship/apprenticeship/mentorship opportunities.

senior leadership, coordinate, motivate, develop, focus

My role in improving and strengthening workforce development in my community is paramount and personal. I am a mentor with a local LNG facility who has developed a program called L.E.A.D. Council (Leadership Enrichment and Development) for juniors in high school. We work to create and implement community development projects. I also host speakers at local schools to expose students to the different types of careers they can have here in their hometown, help them build resumes, host career fairs with a purpose. I volunteer to spend time with the students. I work with our regional workforce development professionals to enhance our local efforts. I have an 11 year old who is in gifted classes at his school. He is a banner roll student, cub scout, community volunteer and he wants to live here and raise his family here and it's because he feels there will be opportunities for him to do so. Every child deserves that feeling.

It is imperative that the public workforce system function at a high level as access to talent is the number one issue for our existing businesses as well as those we are trying to attract.

Showing and demonstrating to the high school and community college level students workforce development and what a higher education means to them. A high school diploma is not adequate anymore, additional training and development within a certificate or degree program is necessary for today's careers.



A leadership role - sit on the WIB, we have a Higher Education Council.

We lead regional efforts to pursue the "Big Goal" in our region, which is 60% of the workforce with a credentialed skill or 2/4 year degree by 2025.

The Partnership serves as the administrative and fiscal agent for the local workforce investment board, called the Piedmont Workforce Network. We share offices and some staff and are very integrated. Vocal about need to increase post secondary attainment and align supply to employer demand. Very active leadership role.

I am speaking to more existing industry to engage them with the local schools, tech schools, adult programs to help bridge the gap and help spread the word.

Whatever it takes

We believe workforce development IS economic development and strongly support Industry Partnerships. We actively participate on WIB boards, educational institution boards/committees, and routinely interface with legislators on workforce policies and advocating for grant funding for workforce related needs. Chester County is lucky to have a spirit of collaboration when it comes to workforce and economic development.

This is one of top three pillars within our strategy. We conduct surveys of local businesses and convene meetings between education, workforce and employers. We have helped secure major grant funds for education introducing new programs for students with a pipeline to industry leading the pathway. Take an active role as a resource partner to create linkages to the team of workforce agencies throughout our region

Continue to tell the message of the importance of workforce development for the economic vitality of an area.

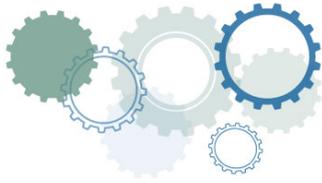
As a catalyst to bring the needs and issues of industry to the workforce development community in our area.

Liaison between businesses and educational facilities

My bottom line is to align workforce supply and demand. My roles are to lead this effort, to engage all the players, to start and continue the conversations, to educate the players, to monitor the programs, and to sustain this program.

Mainly as a coordinator or facilitator of conversations about the topic. We interview local businesses about their needs and relay that to local educators (state college, vocational schools, public primary schools). We also assist in coordinating meetings of these two groups to ensure proper communication.

Developing customized training programs that meet the workforce needs of local employers and linking employers with valuable resources to assist with business growth.



We take the role of bringing the educational, training, and business sectors together and we coordinate the training that is needed for our companies.

Matching the needs of the business community with the skills of the worker. If those skills are lacking, develop plans (in partnership) to aid in training programs.

I am on the Workforce Board; we partner with our local Workforce board on job fairs; continuously make business referrals to workforce reps; I am on the School Advisory Board for one of our high schools, interacting with career counselors at the school

We have added both a resume posting and a job listing component to our website.

Match making: Identify resources and connect our companies to those resources. Trends: Communicate business trends so that educational institutions can plan their programs to skills that will be needed in the future.

I take an active and aggressive role

Support sustained BRE program.

This will be a much stronger priority in 2015. We will conduct a comprehensive labor study to identify our area's labor supply and demand, then analyze where the gap lies and what can be done to bridge it. We will also launch an external campaign aimed at attracting qualified tech workers to our area. Currently, we have a strong partnership with our local community college, Richland College. A Richland liaison attends our weekly Economic Development staff meetings.

Working with the Workforce Alliance of South Central Kansas

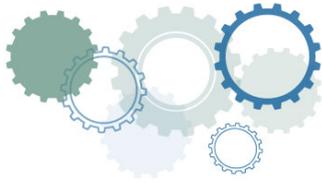
As a convener to help workforce development and economic development work closer together.

Look for methods of building more relationships between the high school/secondary school administrators and assisting in implementation of targeted programs at that level.

Work as a connector to bring the business and educational communities together. Promote State training grant programs.

We work with our K-12 schools and the community college to gather information on workforce needs, potential programs and help them in identifying companies that would like to work with them. Building bridges between economic development and workforce professionals, including trust, true engagement, viewing talent as a regional competitiveness issue with many players and organizations having a role in it development.

Really work to get everyone talking and to eliminate redundancy of efforts.



Work with partners at all levels to understand the workforce, talent pipeline, and educational initiatives being put in place to best sell to companies looking into my area.

Work with WIBs to educate and develop better workforce development programs outside the norm. Seeking to bring alignment between the business community and the training opportunities in our region.

Pro-active role.

We can not control any of this. However, we can connect and remove gaps.

I serve as the "quarterback" for the team by pulling all the players together to make sure we have our programs and priorities defined.

Staff from our office sits on various boards, i.e., workforce development committees, career pathways committees, education committees, leadership and business start-up committees and assist in finding resources and funding to meet business workforce needs.

Staying connected with our schools, colleges, businesses and industries. Letting our schools know what businesses and industries skill needs are in our area.

Meeting with existing Manufacturing companies to assist in finding qualified workers.

Making sure channels of communication are effective between government, academia, and industry.

It is vital to the survival and support of our businesses and community.

We are the connectors to the private sector. We identify companies that are in need of training and coordinate with the workforce agency

Implemented Project Lead the Way in our K-12 system. Created Business driven skills based academies in partnership with K-12 and Community Colleges. Developed stronger ties between education and business to make sure the needs of the business sector are heard in the development of curriculum with outcomes.

We are the LEAD organization in our region for workforce development; surpassing the efforts of the local WIB with our programs.

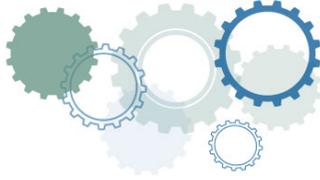
Acting as the catalyst between all stakeholders in developing a workforce program and seeing it through to implementation

Workforce partners are brought into the discussion early because it can help close the deal!

Develop and implement international business training programs and partner with state and federal government and educational entities to implement their programs

Trying to figure it out

Acquiring significant data to be used to compel systemic change in funding and promotion of workforce



development needs.

Convening partners - education, workforce center and industry.

Regularly reminding stakeholders that workforce development is a key part of economic development and deserves much higher attention.

I am a partner in several efforts in our region to make connections between educational institutions and private business, and to train the available workforce to ensure they possess the skills desired by our employers. We are in a fortunate position to have existing companies creating jobs but we need to expand the available skilled workforce as a result. Many local organizations have been partnering to create solutions to meet the challenge. We are especially working with the primary and secondary schools in our area to ensure that the students graduating in this area are prepared for the workforce and for in-demand occupations.

I routinely work with the community colleges and our workforce partners to support trainings for our local companies as well as to help strengthen the pipeline for future employees

As an economic developer who spent over 15 years in WORKFORCE development, I typically take a lead role in aligning efforts, and being able to speak the language of both groups helps.