

“Next Generation” Sector Partnerships: What, Why, How (and Why Now)

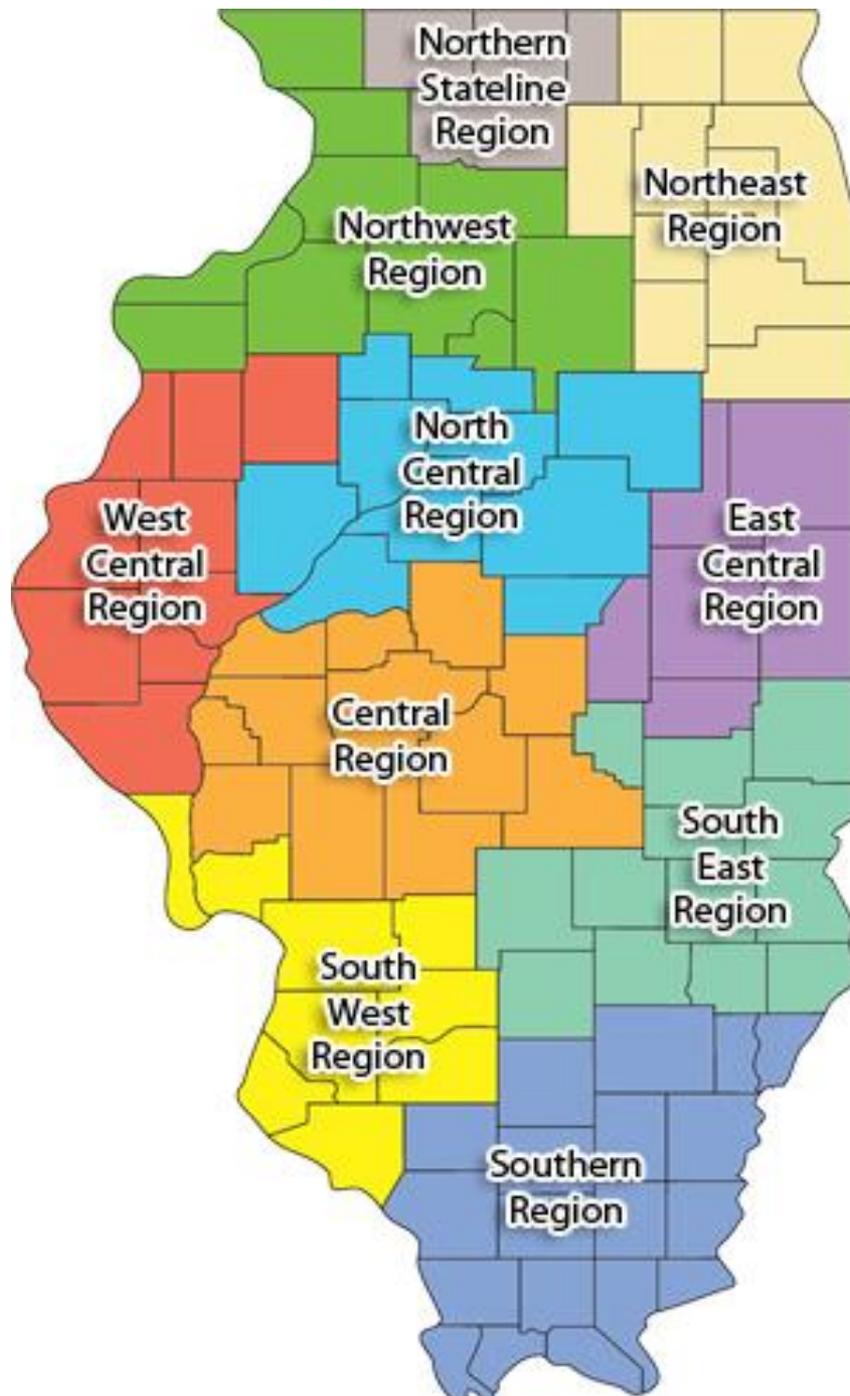
May 19, 20, 21 2015

Illinois Sector Partnership Regional Training

*Presented by Lindsey Woolsey, The Woolsey Group and Emily Lesh,
Colorado Workforce Development Council*

THE WOOLSEY GROUP





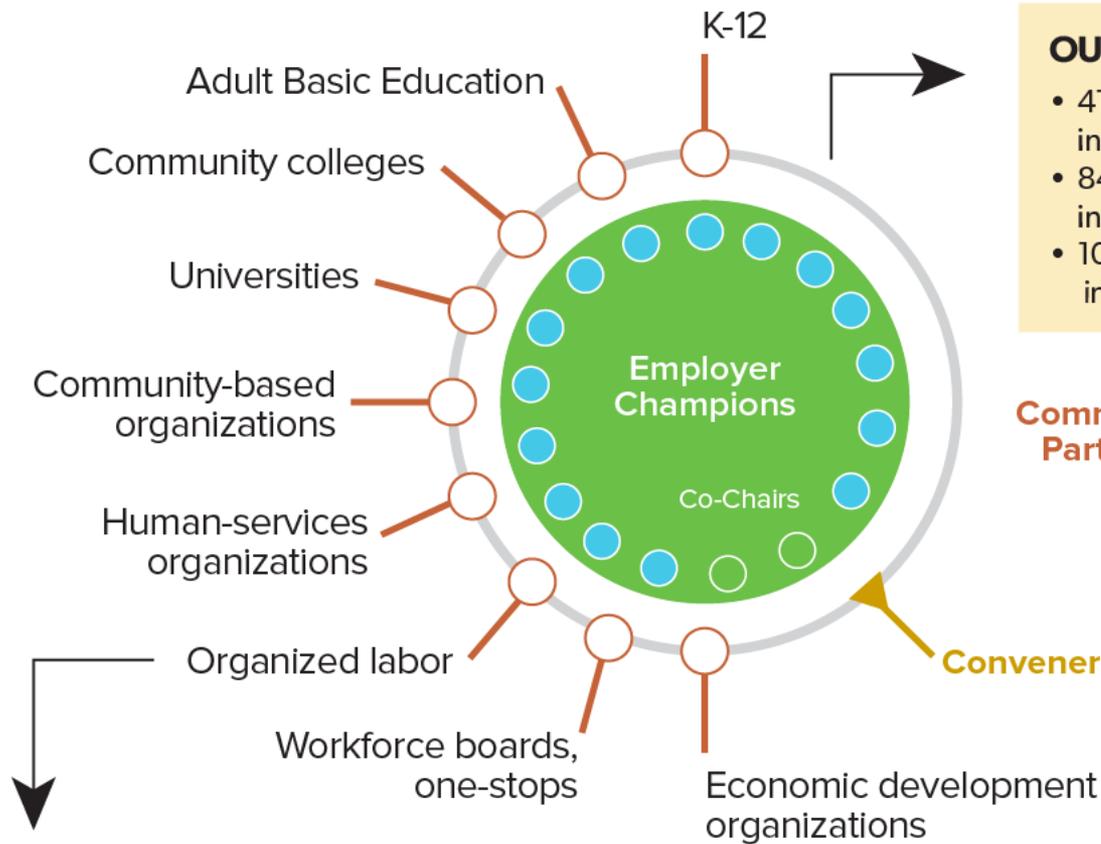
Heard this lately?

- Job-driven, Industry-driven, Demand-driven
- More, better, stronger employer partnerships
- Industry-driven courses and credentials
- Industry driven career pathways

WHAT ARE WE TALKING ABOUT?

At the regional labor market level, a **partnership** of employers within one industry sector or cluster that work closely with **government, education and training, economic development, labor and community organizations** to focus on the workforce and other competitiveness needs of their industry. These **regional partnerships** may or may not have support from the state and/or federal level.

EMPLOYER-DRIVEN, COMMUNITY-SUPPORTED SECTOR PARTNERSHIPS



OUTCOMES FOR EMPLOYERS

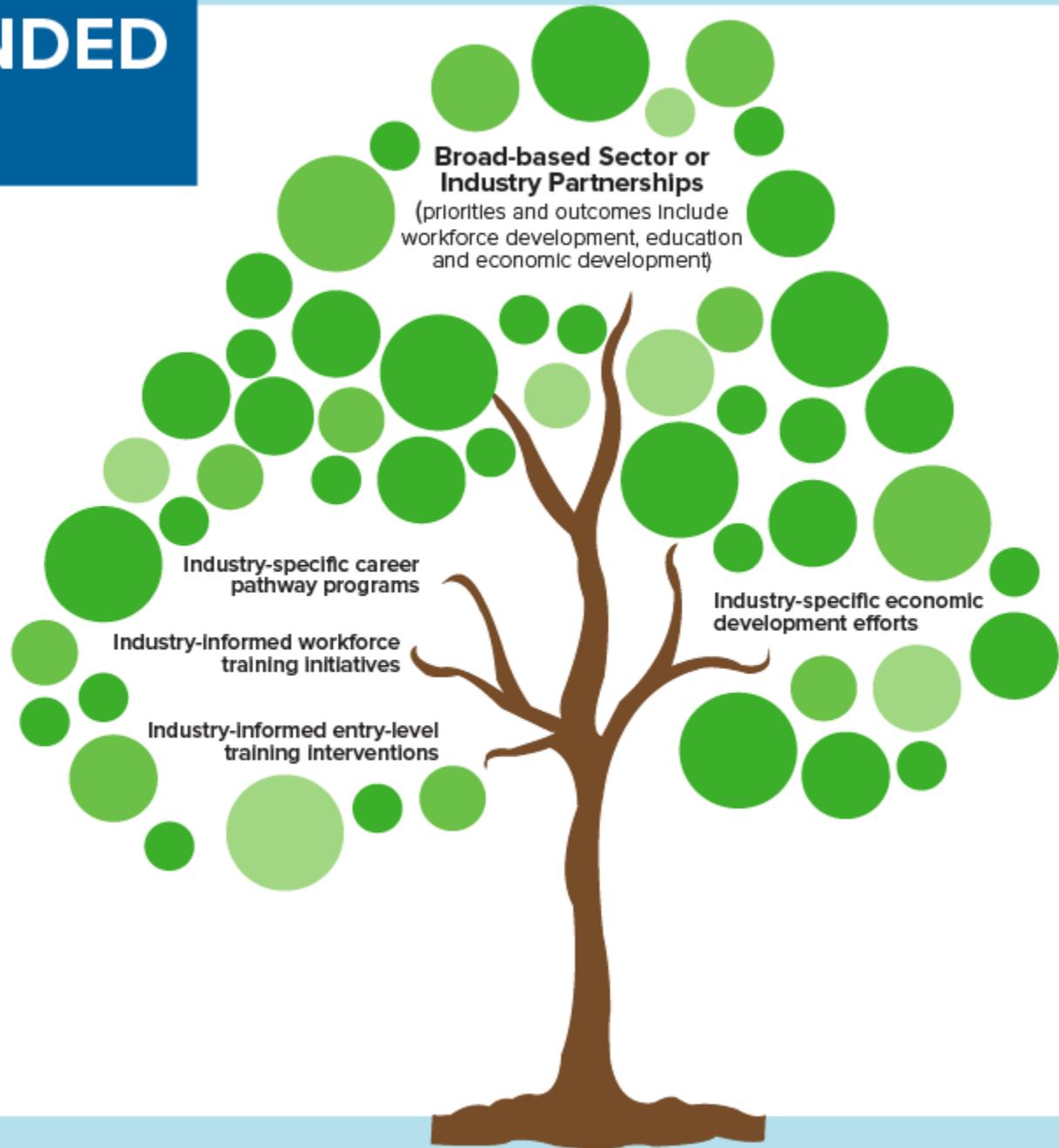
- 41% of employers report reductions in turnover
- 84% of employers report significant increases in productivity
- 100% of employers report participation in Partnership was valuable

Community Partners

OUTCOMES FOR WORKERS

- 48% worker participants exited poverty
- 18% higher earnings
- More likely to work in jobs with benefits

THE EXTENDED FAMILY



Today's Industry Partnerships:

- Are industry driven
- Are regional
- Are convened by a credible third party
- Act as a coordinating body across multiple education, workforce development, economic development and other programs
- Create highly customized responses to a target industry's needs, and therefore highly accurate responses
- They are about more than workforce training
- Treat employers as partners, not just customers
- Are NOT a grant program, a short term project, a passing fad; they are a long term partnership

They are different from:

- Your state workforce investment board
- Your regional or city economic development board
- Your Chamber of Commerce
- An industry association
- Your Community College Advisory Boards
- A career pathway employer group

Where are they operating?



Colorado Sector Partnerships



1 Active: Energy & Natural Resources

2 Active: Health & Wellness
Active: Advanced Manufacturing
Emerging: Creative Industries
Emerging: Energy & Natural Resources
Exploring: Construction & Development

3 Active: Health & Wellness
Active: Advanced Manufacturing
Emerging: Technology & Information
Exploring: Construction & Development
Exploring: Landscape Architecture

4 Active: Advanced Manufacturing
Active: Hospitality
Active: Health & Wellness

5 Emerging: Health & Wellness
Exploring: Energy & Natural Resources
Exploring: Transportation & Logistics

6 Active: Advanced Manufacturing
Emerging: Health & Wellness
Exploring: Creative Industries

7 Active: Advanced Manufacturing
Active: Health & Wellness

8 Emerging: Health & Wellness
Exploring: Food & Agriculture

9 Emerging: Energy & Natural Resources
Exploring: Advanced Manufacturing
Exploring: Food & Agriculture

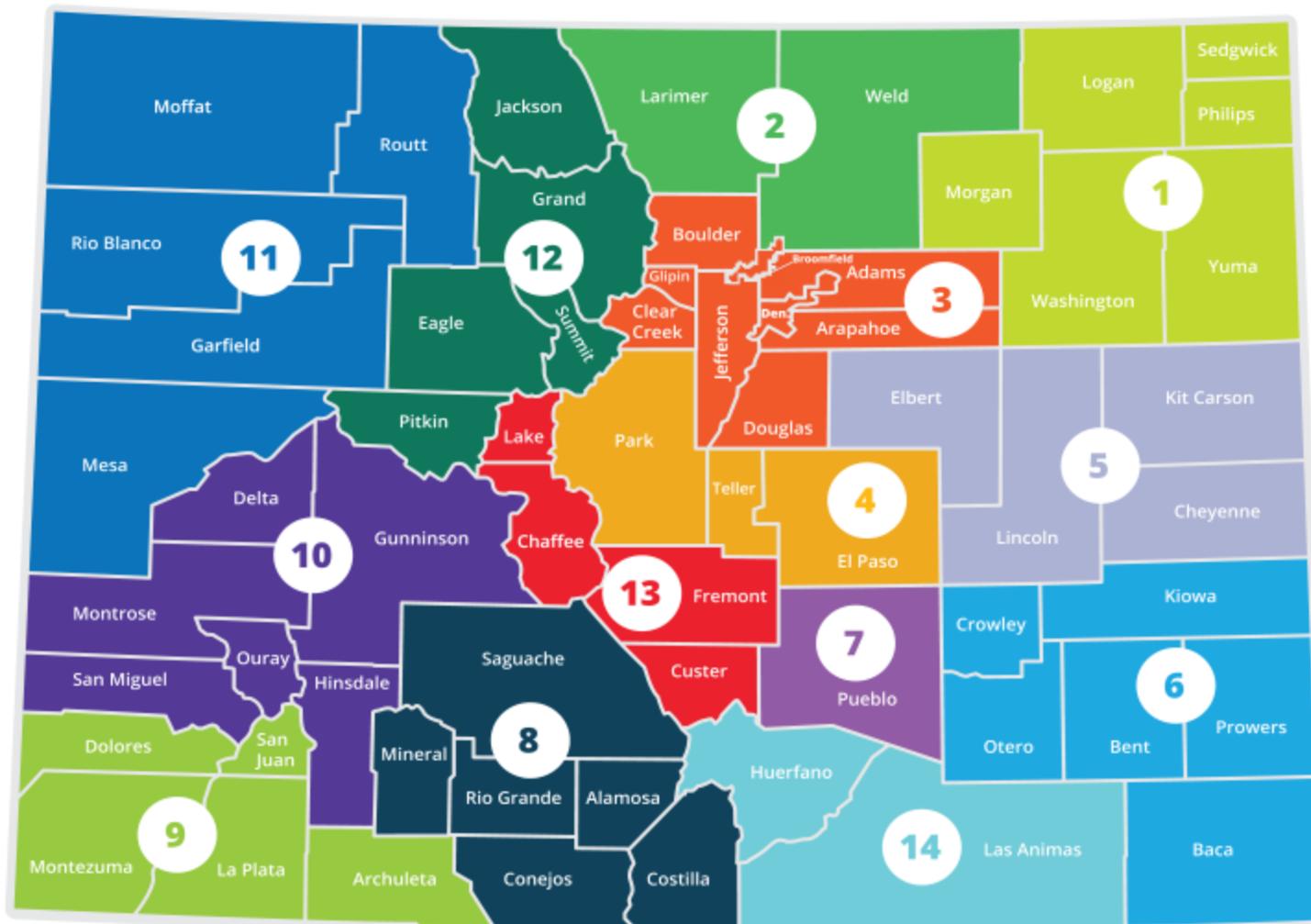
10 Active: Health & Wellness
Emerging: Advanced Manufacturing
Exploring: Tourism & Outdoor Recreation
Exploring: Food & Agriculture
Exploring: Energy & Natural Resources (mining)

11 Exploring: Tourism & Outdoor Recreation
Exploring: Energy & Natural Resources

12 Emerging: Health & Wellness

13 Active: Health & Wellness
Exploring: Tourism & Outdoor Recreation

14 Exploring: Advanced Manufacturing
Exploring: Energy & Natural Resources
Exploring: Tourism & Outdoor Recreation



Updated: December 2014

WHAT CAN RESULT FROM A SECTOR PARTNERSHIP?

WORKFORCE SOLUTIONS

Education & Training

- Definition and resolution of key human capital issues
- Short term training (skills, licences, etc.)
- Consortia training
- Incumbent worker training (skills, safety, management, other)
- Long term training and education programs (including career pathways)
- Entry-level skills development
- Work Readiness programs (basic, soft)
- Work experience/internships (esp. Youth)
- Apprenticeships

Non-Training

- Work reorganization (org charts, advancement, hiring planning, etc)
- Improved HR practices
- 3rd party screening/assessment

- Hire local campaigns (industry driven)
- Resolved retention issues
- Aligning job descriptions with actual KSAs
- Career awareness campaigns (esp. Youth)

ECONOMIC DEVELOPMENT SOLUTIONS

- Company to company networking
- Shared marketing and branding of region and industry
- Supply chain mapping – local suppliers
- Shared costs related to transportation of materials and products
- High skilled worker recruitment/Spouse support programs
- Shared community improvement efforts
- Industry associations (if they don't exist)

... and more.

NORTHERN COLORADO MANUFACTURING PARTNERSHIP

More than 50 northern Colorado manufacturing companies and 20 public partners established the Manufacturing Partnership in 2013 to address common issues in the industry

Mission statement: “Partners working passionately to ensure Northern Colorado Manufacturers and our Communities thrive.”



PRIORITIES INCLUDE:

Networking and local supply chain issues

Changing the perception of the industry and encouraging youth to pursue manufacturing

Developing vocational/technical skills as a career pathway for youth and adults in transition

Industry-led Career Pathways in Action: NoCo Manufacturing Sector Partnership



Manufacturing ROCKS Manufacturing TALENT
Manufacturing NETWORKS

Industry-led Career Pathways in Action: NoCo Manufacturing Sector Partnership

NoCo Manufacturing Vocational and Technical Skills Committee

- Education and business collaborating
- Facilitating skill panels of 10 critical occupations in NoCo to identify KSAs (Knowledge, Skills, and Abilities):
 - Assembler
 - Machinist
 - Tool/Die Maker/Senior Machinist
 - Technicians
 - Welder/Fabricators
 - Quality Control Analysis
 - Engineering Technician
 - Engineers
 - Managers
 - Sales

PHOENIX HEALTH CARE SECTOR PARTNERSHIP

Over 150 members from health care businesses along with educational institutions and community partners

Launched by City of Phoenix in 2013 with leadership from Mayor Greg Stanton; sustained convening support provided by Greater Phoenix Chamber of Commerce



AREAS OF FOCUS INCLUDE:

- Growing health care workforce
- Promoting wellness and quality of life
- Strengthening health care innovation and care coordination
- Promoting medical tourism

The Green Alliance (Energy-focused Manufacturing), PA

- J&J Mechanical, a small commercial HVAC company, quadrupled their employee base as a result of expanded connections to residential retrofitting needs

= 20 NEW JOBS

- Maccabee Industrial, a steel fabricator, expanded product line to include windmill skeleton construction

= NEW PRODUCT LINE, 10 NEW JOBS

- Gerome Manufacturing, steel fabricator, expanded wind mill parts production, added new product line to product brackets for construction of green buildings

= NEW PRODUCT LINE, 18 NEW JOBS

- Therm-O-Rock East, Inc., manufacturer of vermiculite (material used to insulate batteries) discovered through the Partnership that the material could be used in retrofitting insulation, as well as in green soil for potted plants and gardens

= 2 NEW PRODUCT LINES, 20 NEW JOBS

- Tri-State Biofuels, a small woodstove pellet manufacturer, connected with Marsalis Shale oil and gas drilling companies via the Partnership, researched uses of wood pellets as absorber of drilling waste, and invented a new product.

= NEW PRODUCT LINE, 25 NEW JOBS

= TRIPLED SAWDUST PURCHASES FROM LOCAL SAWMILLS

- World Kitchen, formerly Corningware, now makes pyrex glass for solar panels.

- Via Partnership networking, added new production line to meet regional demand

= NEW PRODUCT LINE

= 60 NEW JOBS

* Launched in 2010, over 153 jobs created by Summer 2012



WHAT WORKS WELL (AND NOT SO WELL)



Clusters of companies
Employers as partners
Industry-driven
Regionally-based
Existing industry strength or emerging specialty
Industry competitiveness/growth
Opportunity-focused
Employer priorities first
Champion-driven
Coalitions of the willing
People and relationships
A disciplined, replicable process



Individual firms
Employers as customers
System- or institution-driven
Statewide top-down or too local
Wishful thinking
Workforce only
Problem-driven
Target populations first
Representation-oriented
The futile search for consensus
Organizations and jurisdictions
A mysterious, unique occurrence

Industry: What's the Goal?

- ***Industry Leadership*** in developing the agenda, the priorities and the strategies for action.
- ***Industry Partnership*** demonstrated in a willingness to collaborate together (company-to-company), and with support partners.
- ***Industry Commitment*** in implementing action areas, including time, in-kind and financial commitments as required to realize goals.

Why Sector Partnerships?

- I. There is increasing debate about a **skills mismatch** in our economy: by 2020, nearly two out of every three U.S. jobs will require some postsecondary education and training, but 42% of adults in the U.S. (25-64) have no PSE credential.
 - 64% of companies say they cannot find qualified applicants for management, scientific, engineering or technical positions.

-McKinsey Survey
 - 67% of small and midsize manufacturers report moderate to severe workforce shortages, and they predict this will get worse not better.

-National Manufacturing Institute Survey

- II. We are back in a **tight labor economy**, where skills matter more than ever in order for workers to get an edge and foothold in the jobs market.

- III. We must address these challenges with **fewer resources**: steady declines in investment since the eighties.
 - Federal employment and training expenditures (non-veteran) down.
 - Higher education enrollments/tuitions up; appropriations down.

What's our response?

EDUCATION, WORKFORCE & ECONOMIC DEVELOPMENT

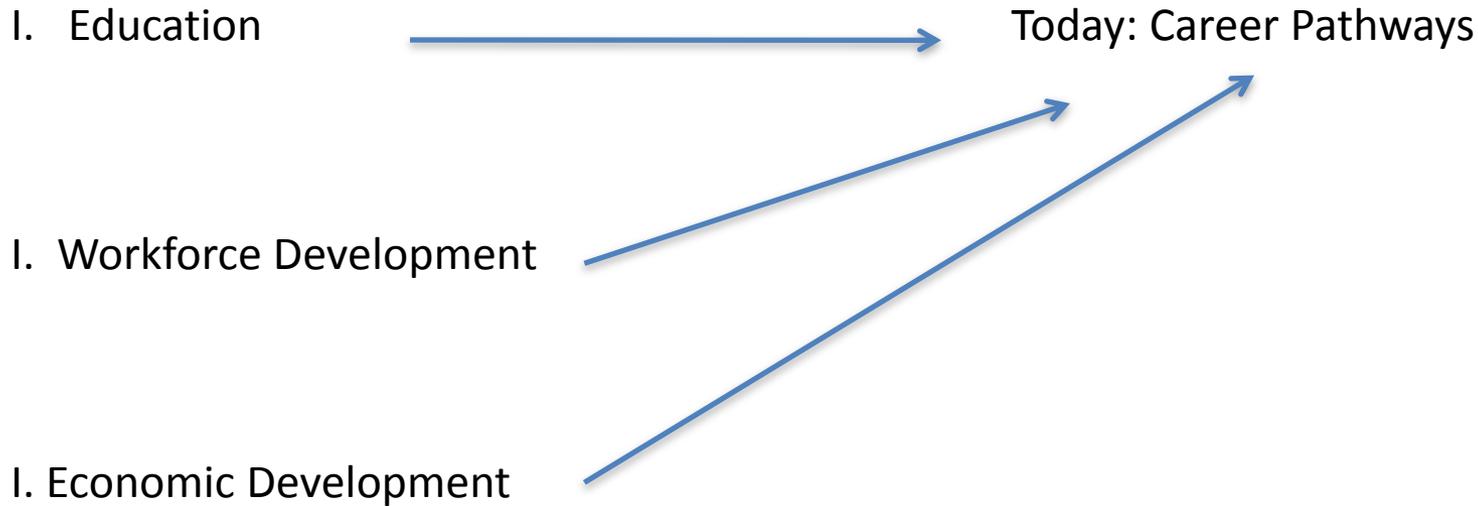
I. Education  Historically: Train & Pray

I. Workforce Development

I. Economic Development

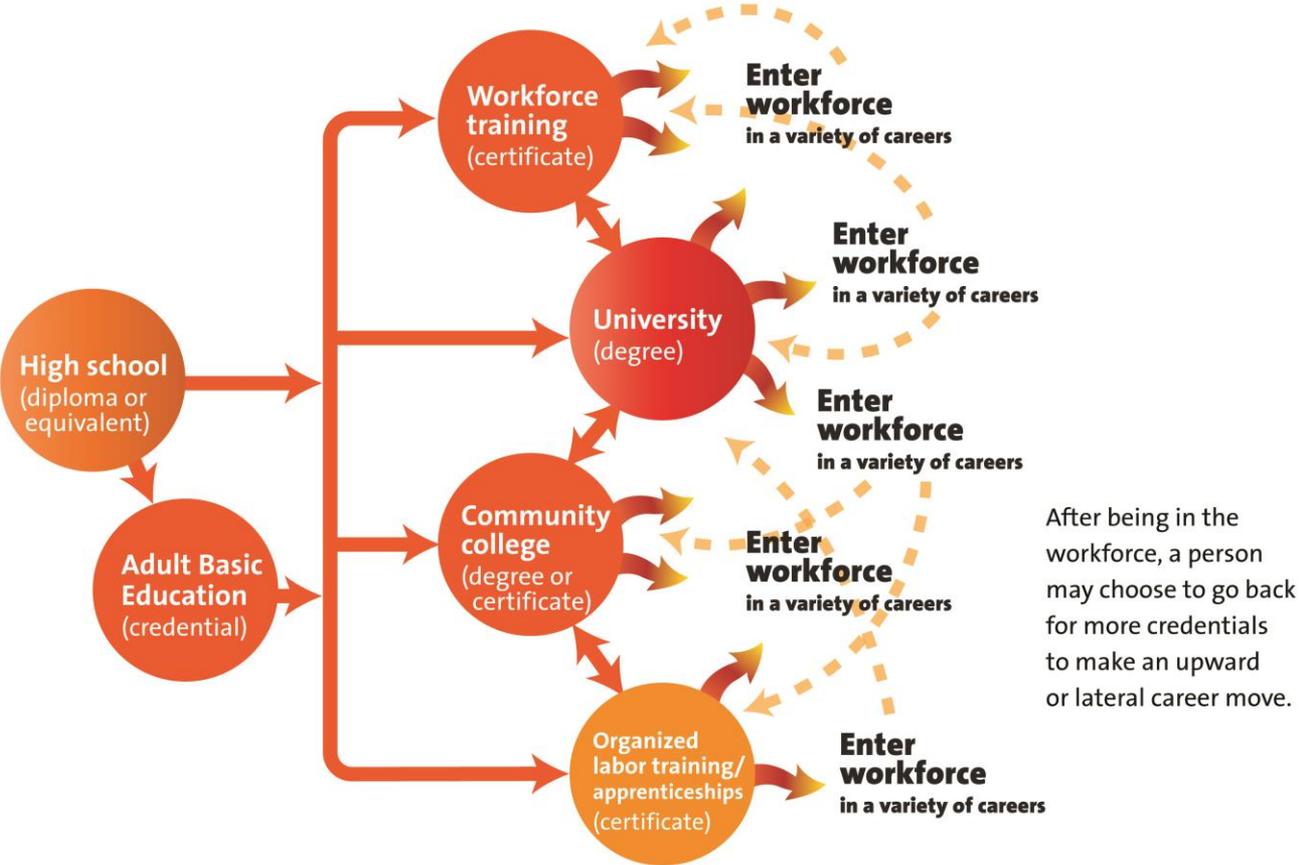
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Career Pathways

Effective career pathways rely on coordination across education and training programs in order to offer a clear sequence of industry-relevant coursework and credentials to job seekers. Today's education and training programs include online and in-person opportunities.



After being in the workforce, a person may choose to go back for more credentials to make an upward or lateral career move.

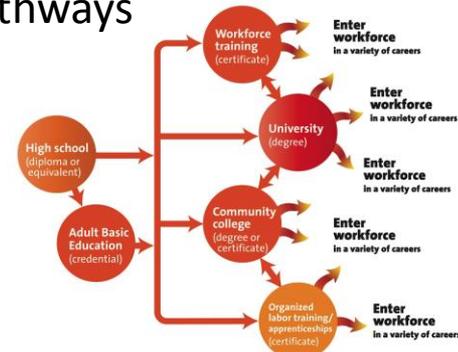
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I. Education



Career Pathways



I. Workforce Development

I. Economic Development



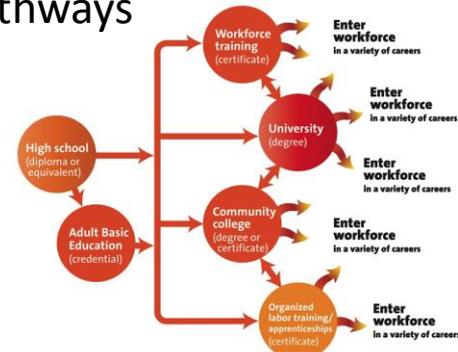
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Career Pathways



I. Workforce Development

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Historically: Business Attraction

What's our response?

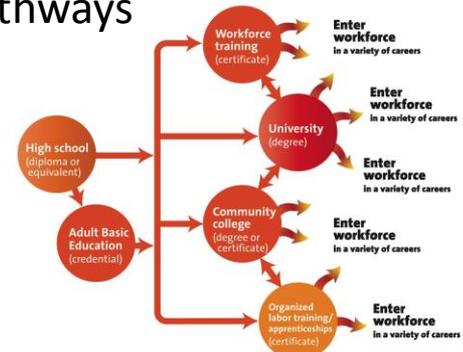
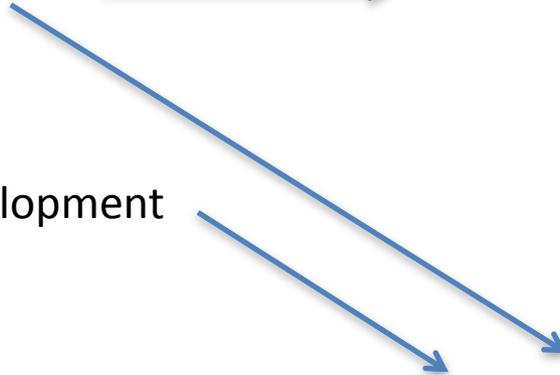
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I. Education



Career Pathways

I. Workforce Development



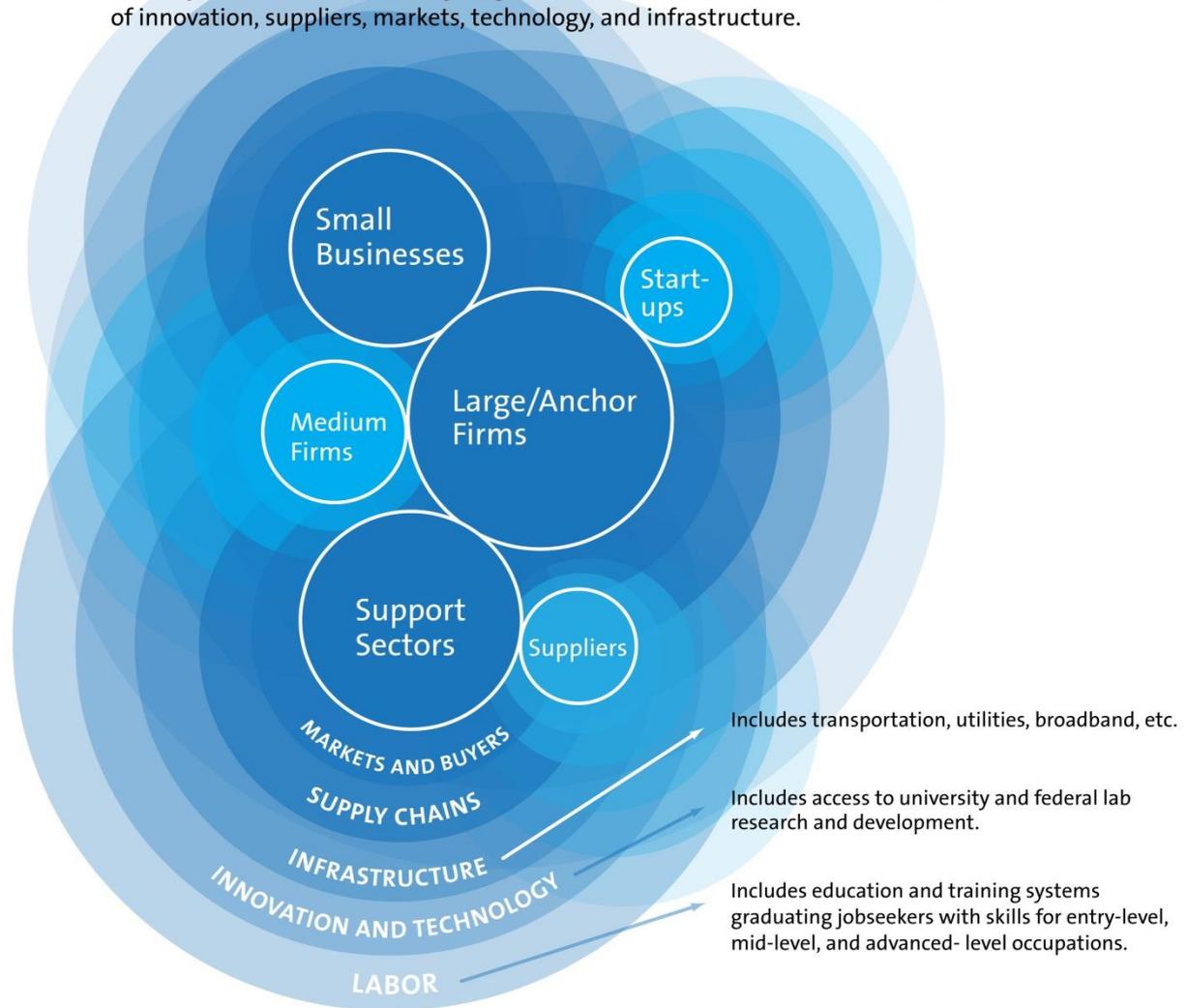
I. Economic Development



Today: Industry Clusters

Industry Cluster

An industry cluster consists of large and small firms in a single industry. Firms in industry clusters benefit from synergies of association related to shared labor, sources of innovation, suppliers, markets, technology, and infrastructure.



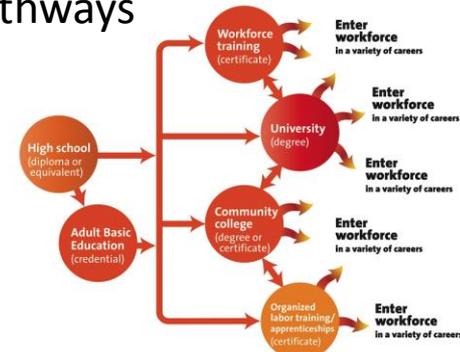
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Career Pathways



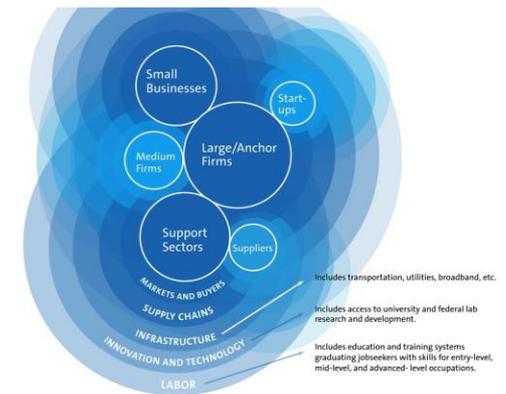
I. Workforce Development



I. Economic Development



Industry Clusters



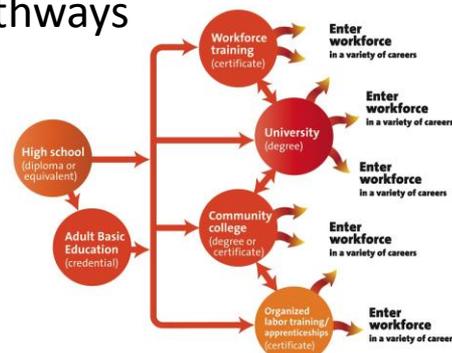
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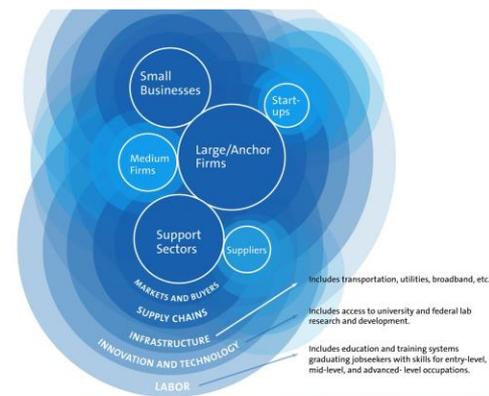


Historically: Customized Business Training + Job Matching

III. Economic Development



Industry Clusters



What's our response?

EDUCATION, WORKFORCE & ECONOMIC DEVELOPMENT

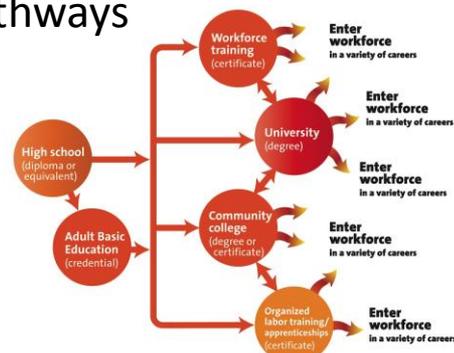
I. Education

I. Workforce Development

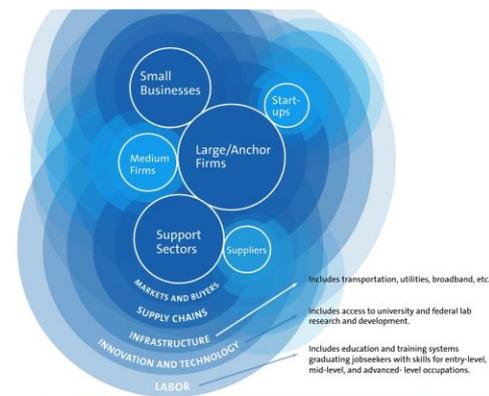
Today: Sector/Industry Partnerships

III. Economic Development

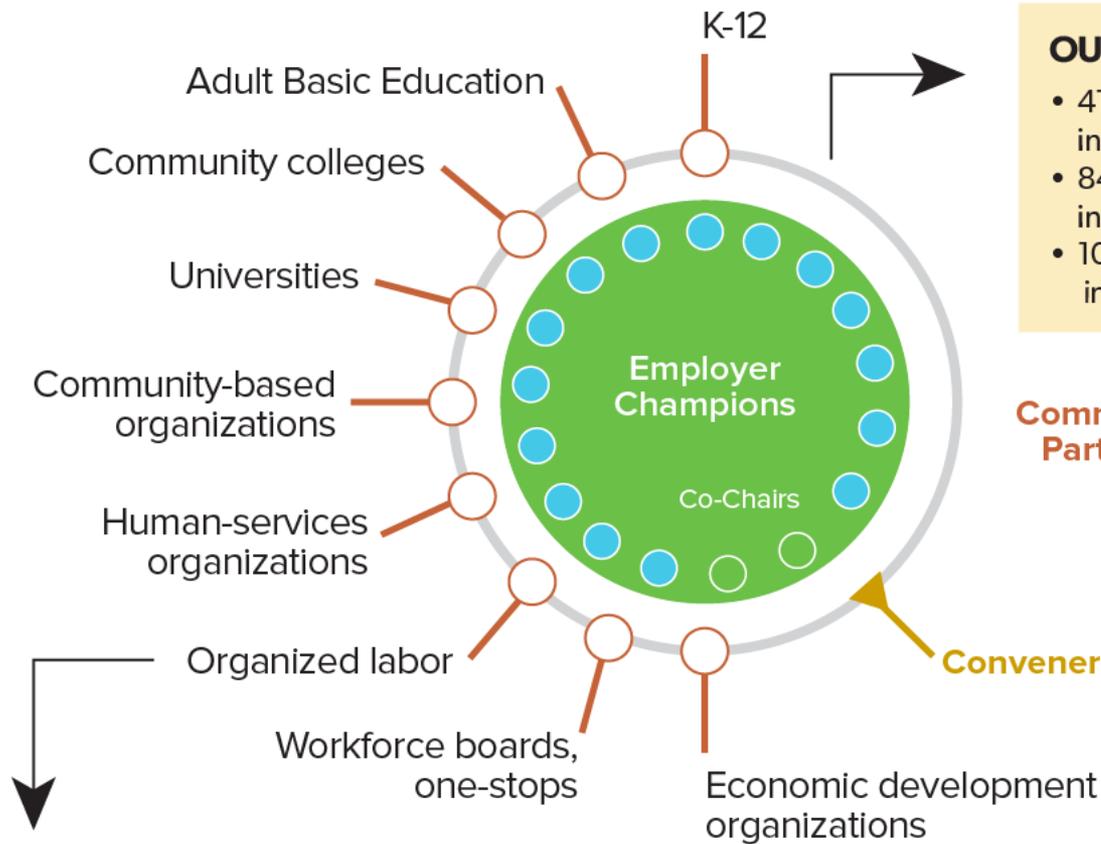
Career Pathways



Industry Clusters



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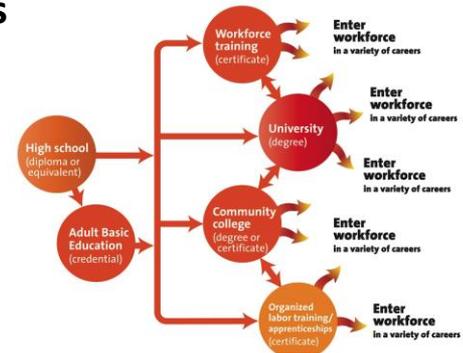
Sector Strategies Coming of Age:

EDUCATION, WORKFORCE & ECONOMIC DEVELOPMENT

I. Education



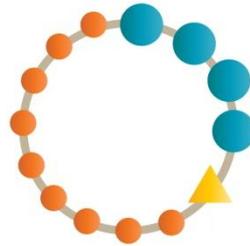
Career Pathways



I. Workforce Development



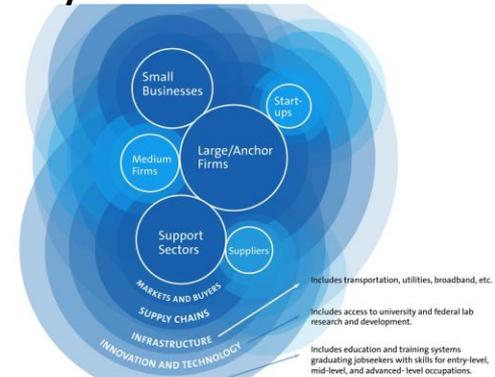
Sector Partnership



III. Economic Development

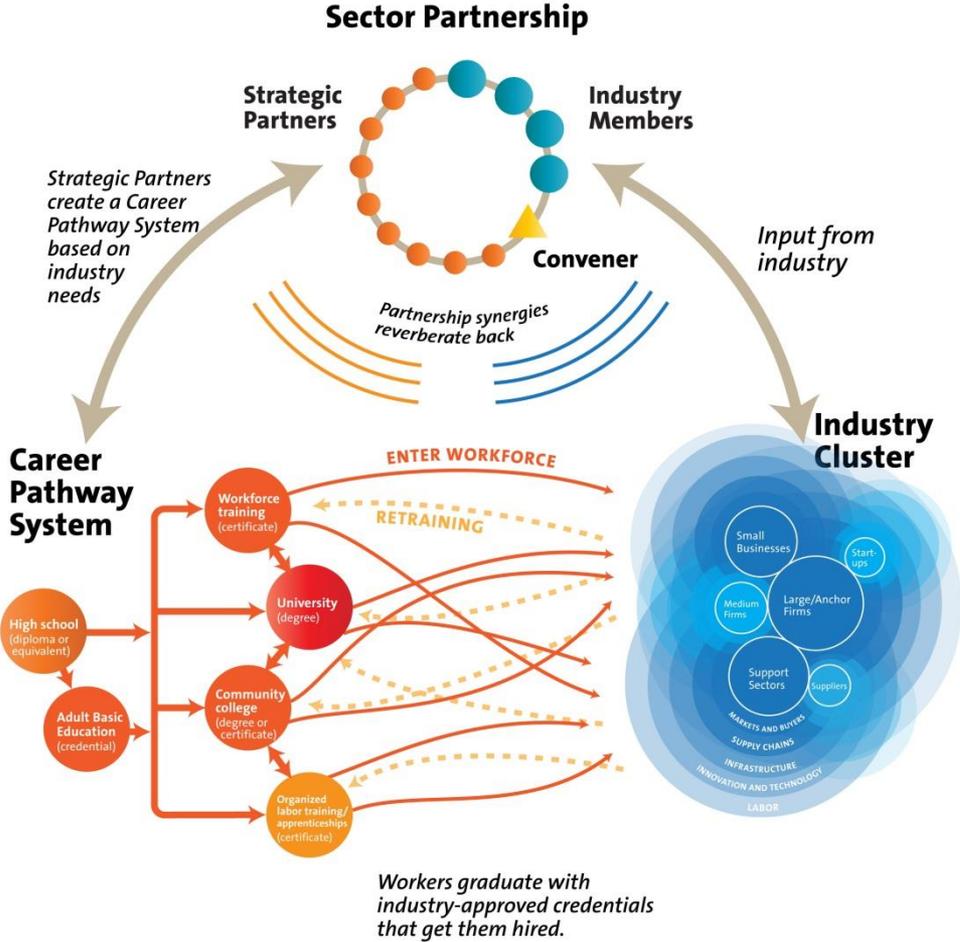


Industry Clusters



Sector Partnerships: The Keystone to Connecting Career Pathways to Industry Cluster Growth

Sector Partnerships align education and training programs with industry needs to produce readily employable workers.



Finally, this is “Layered” Work



Role of State Leadership:

To create the right conditions for sector partnerships to effectively serve industry and jobseekers

1. Shared vision and goals
2. Good industry data and analysis
3. Performance metrics tools
4. Training and capacity building
5. Communication and awareness
6. Changes to administrative policies
7. Changes to legislative policies
8. Funding and investments
9. Shared promising practices and success stories
10. State-Regional communication

Questions Now?



Questions later? Contact me anytime: Lindsey Woolsey

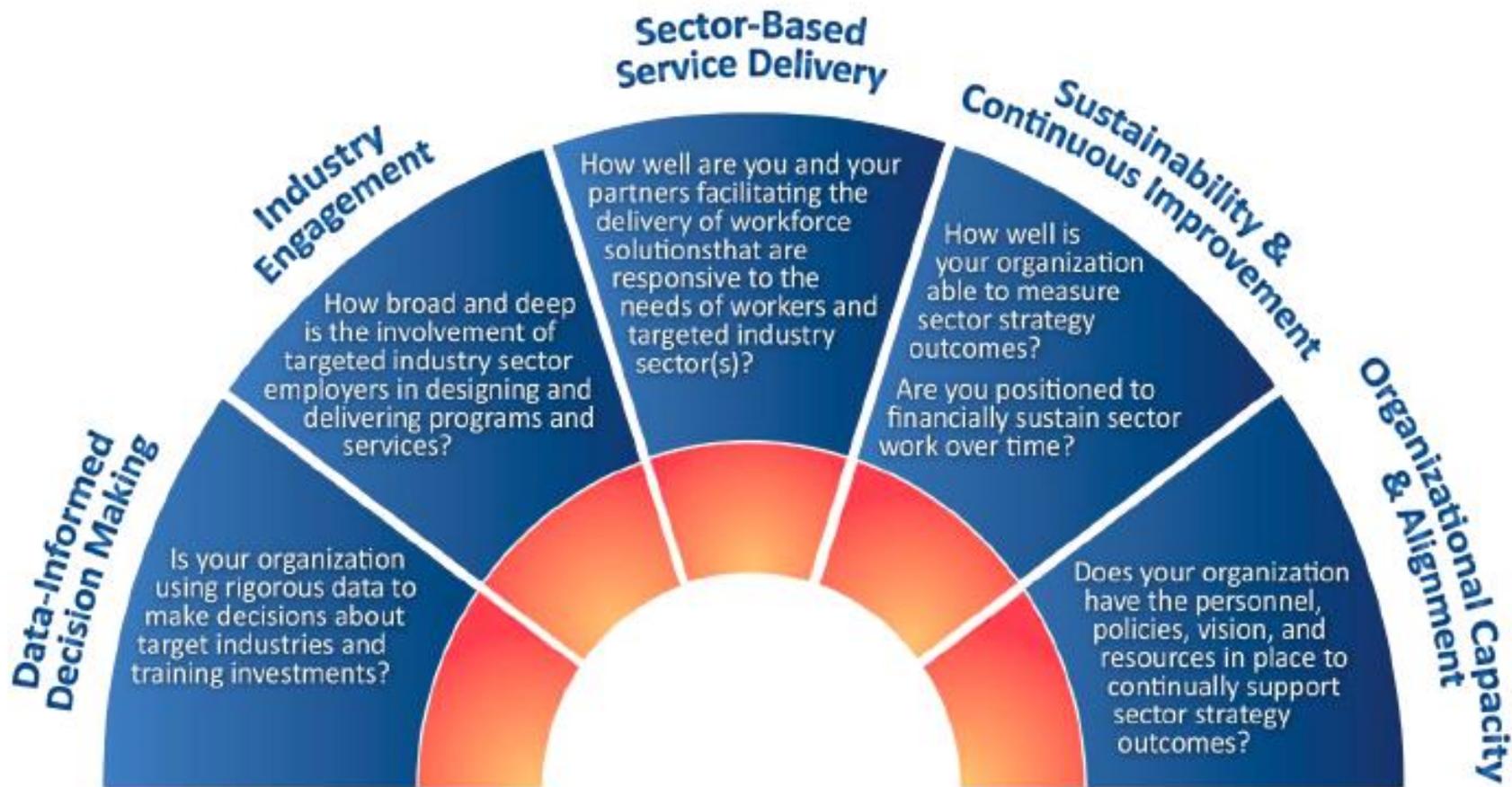
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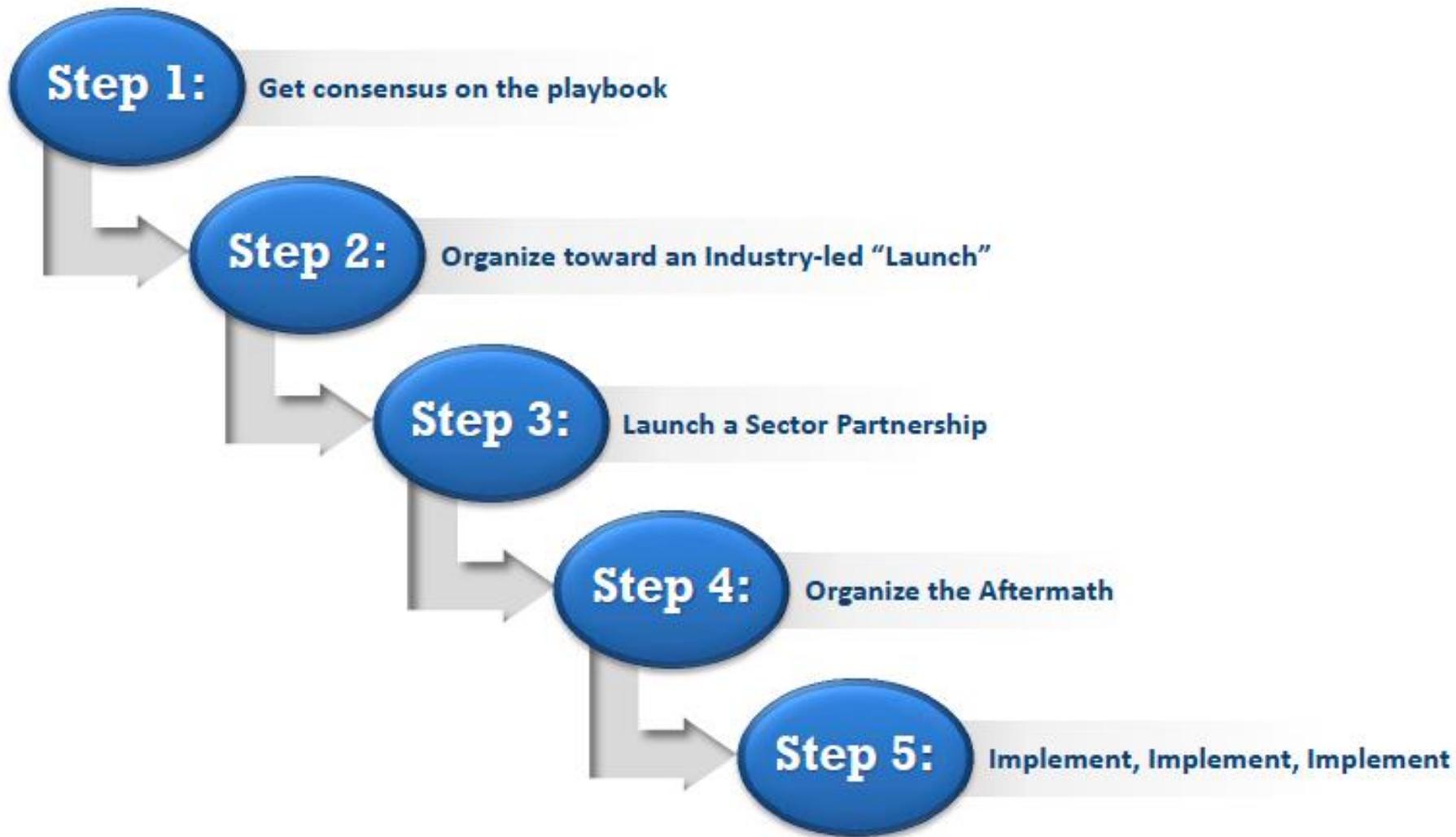
THE WOOLSEY GROUP

**Sector Partnership-based Employer Engagement:
A Framework for Illinois**

**Sector Partnership-based Employer Engagement:
A Framework for Illinois**







★ **An agenda that directly hits on these 3 questions (in 90 minutes or less):**

- What are the big opportunities for growth in our companies right now? What's going on in our industry, in this region in particular?
- What do we need to compete? What is required to ensure our companies stays competitive?
- What are we going to do together? How are we going to hang together and organize for real outcomes?



Sector Strategies

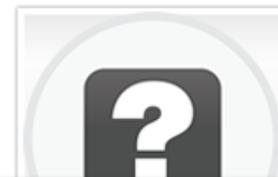
Overview

Illinois has been a pioneer in the field of sector strategies for a decade, and boasts some strong examples of local/regional sector initiatives and partnerships. But other states and regions are fast catching up. Thousands of sector efforts exist across the country, and programs in education, workforce development and economic development are all getting the same call to action from on high: Build stronger partnerships with industry to develop a talent pipeline that drives economic and community prosperity. As a result, across the nation, like in Illinois, community and technical colleges are re-thinking traditional approaches to engaging employers; local workforce boards and organizations are stepping up their game with improved and coordinated business services; and local and regional economic development organizations and business associations, including many Chambers of Commerce, are broadening their scope of influence to include talent and workforce development as core to their mission. There is

Materials

- [Illinois Sector Based Employer Engagement \(PDF\)](#)
- [Illinois Sector Strategies Training Event Agenda \(PDF\)](#)

FAQs



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