

State Strategies for Workforce Training

Building the Talent Pipeline

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The National Governors Association



Founding

May 1908 meeting of President Theodore Roosevelt and governors led to the creation of the National Governors Association.

What We Do

Through NGA, governors identify priority issues and deal collectively with matters of public policy and governance at the state and national levels.



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The NGA Center for Best Practices...



The nation's only dedicated consulting firm for governors and their key policy staff.

Policy Areas:

- Economic Development, Human Services & Workforce
- Education
- Environment, Energy & Transportation
- Health
- Homeland Security and Public Safety

Services:

- National Meeting of Governors
- In-State Assistance
- Multi-State Policy Academies
- Published Reports



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Overview



I. Framing the Challenge for States

II. Sector Strategies: What They Are, and What They Mean For State Policy

III. Sector Strategies in Action

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Framing the Challenge



64% of companies say they cannot find qualified applicants for management, scientific, engineering or technical positions. – *McKinsey*

67% of small and midsize manufacturers report moderate to severe workforce shortages. – *National Manufacturing Institute*

32% of American employers are having difficulty filling jobs in 2015 – *ManpowerGroup*

Framing the Challenge

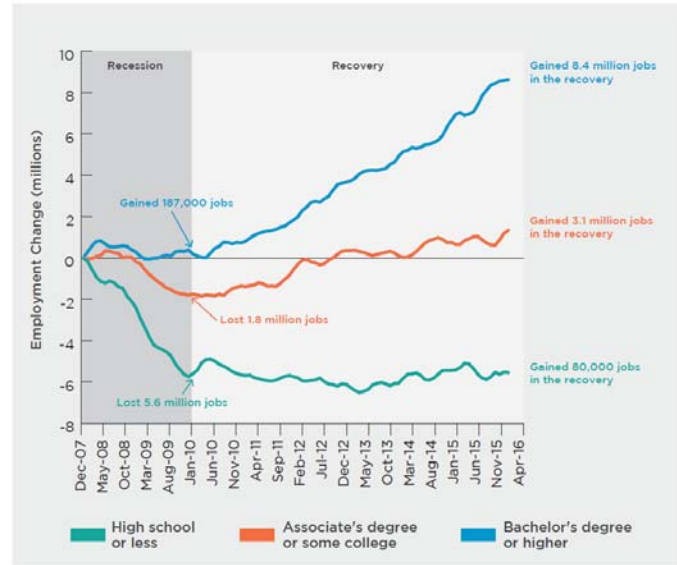


“Over 95 percent of jobs created during the recovery have gone to workers with at least some college education”



Source: Georgetown University Center on Education and the Workforce, *America's Divided Recovery: College Haves and Have-Nots*, 2016

Figure 1. Workers with a Bachelor's degree have added 8.4 million jobs in the recovery, but workers with a high school diploma or less added only 80,000 jobs after losing 5.6 million jobs in the recession.



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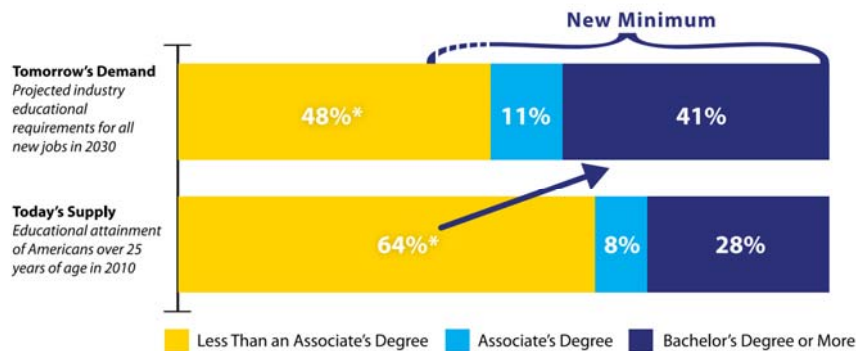
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Framing the Challenge



Mismatch In the Nation's Talent Pipeline

Current educational attainment and projected industry requirements by education level



Note: The state's current educational attainment is based on the U.S. Census Bureau's American Community Survey, 2010. Projected demand estimates are based on Moody's Analytics forecasts of employment by industry in 2030, multiplied by the nation's 2010 postsecondary attainment rate for each industry and summed to produce the nation's total job requirements by education level.

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Why We're Here

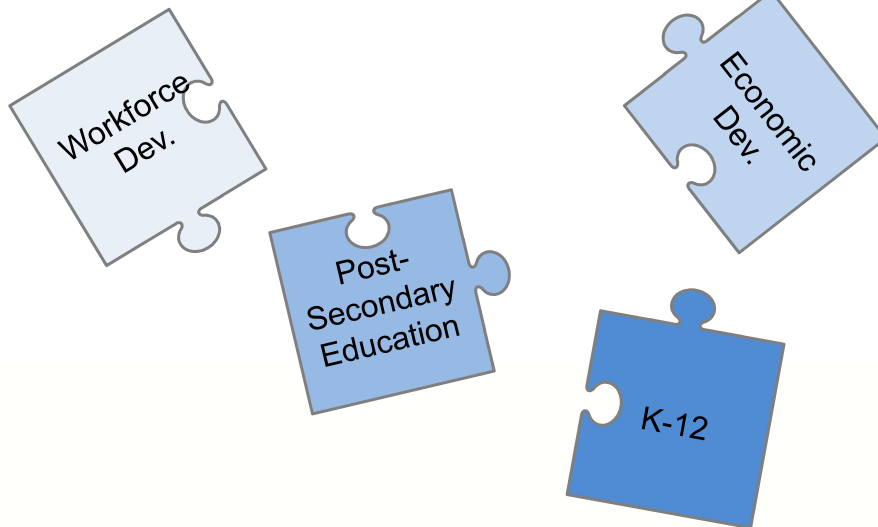


Two related challenges:

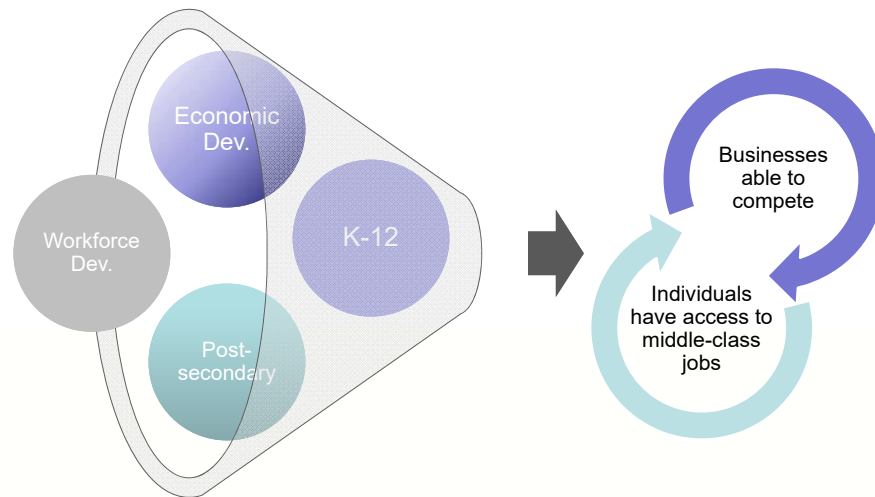
Businesses have trouble finding the skilled workers they need to be competitive in the global economy

Many individuals lack the training and education necessary to obtain middle-class jobs.

Uncoordinated Responses



Assembling a Talent Pipeline



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Addressing the Challenge



How do cities and regions achieve this alignment?

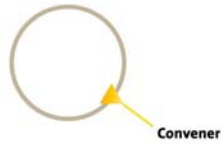
By developing local and regional Sector Partnerships.

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Sector Partnership

The partnership addresses common needs of employers and generates coordinated solutions that benefit workers.

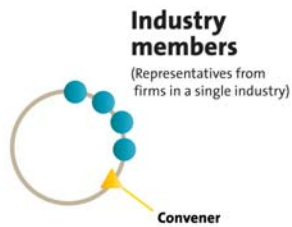


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Designs by THE WOOLSEY GROUP 13

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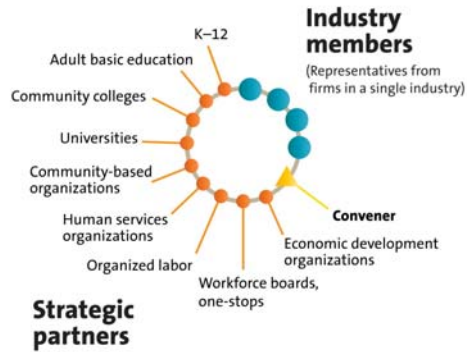


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Designs by THE WOOLSEY GROUP 14

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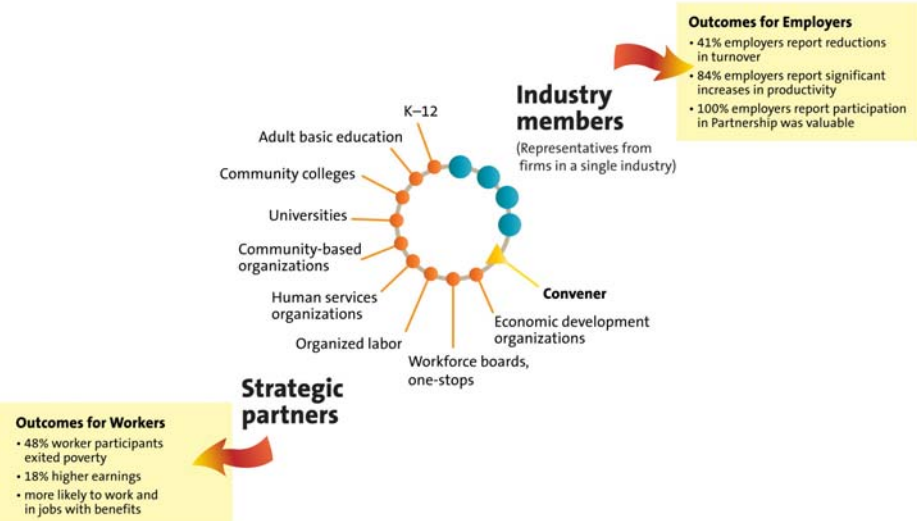


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But What do Partnerships do?



Automotive Manufacturing Technical Education Collaborative



Vision: A recognized collaboration of colleges and companies working to strengthen the competency and global competitiveness of the automotive workforce.

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A New Role for States



While there are many examples of successful sector partnerships, scale has been elusive:

- Partnership requires investment of time, and scarce resources;
- Many partnerships based on start-up grants fade away when the funding does; and
- A lack of coordination often leads to duplication.

These challenges call for clear state action

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Six 'Core Capabilities' for States



1. Shared Vision and Goals
2. Industry Data Analysis and Tools
3. Training and Capacity Building
4. Awareness and Industry Outreach
5. Administrative and Legislative Policy
6. Performance Measurement



1. Shared Vision and Goals



Washington's Workforce System

The workforce system helps supply an appropriately skilled, educated, and able workforce that allows businesses to:

- Thrive and grow.
- Be more competitive in a global economy.

The workforce system brings together workforce development, education and training, and human services to help people, including those with barriers, to:

- Get and keep jobs.
- Grow along lifelong career pathways.

Washington set a vision for sector partnerships, including a framework that describes a six-phase process for building partnerships at the local level.

The state also set clear and measurable goals, such as required each region to have at least one sector partnership, and requiring those partnerships to show progress over time.

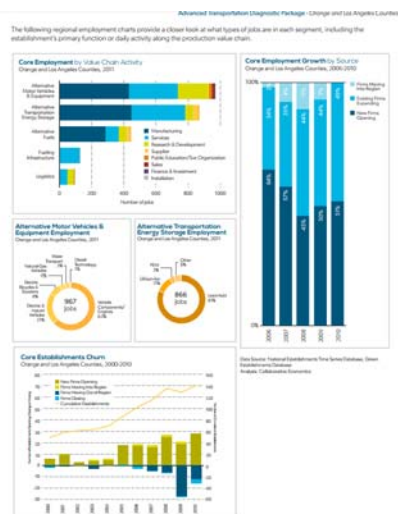
<http://www.wtb.wa.gov/WAWorkforcePlan.asp>

2. Industry Data Analysis and Tools



California's Workforce Development Board pioneered this work when it developed a process and data tool to train local practitioners in data-driven decision-making.

This staff development is an important component of the states regional partnerships, leading to funding to scale industry-driven partnerships



http://www.coecon.com/assets/rico_regionaldiagnostics_2013.pdf

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3. Training and Capacity Building



Kentucky has built training modules for its regions on forming and implementing sector partnerships. The modules aim to help regions align partners as they identify and work with targeted industries.



Additionally, Kentucky's High-Impact Workforce Board framework provides local areas with clear definitions, goals, and metrics for developing high-quality partnerships.

<http://kwib.ky.gov/ImplementationStatus/highperformboards/documents/HIWCriteria.pdf>

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4. Awareness and Outreach



MAIN STREET MONTANA PROJECT

A BUSINESS PLAN *For Montana by Montanans*

Montana's Governor engaged over 200 CEOs and company presidents to lead statewide partnerships call *key industry networks* as part of the *Mainstreet Montana Project*.

In addition to championing these networks in their communities, those CEOs have developed more than 200 policy and program recommendations that are being implemented at the state-wide level.

<http://mainstreetmontanaproject.com/>

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5. Administrative and Legislative Policy



Since 2014, at least seven states, including **Arkansas, California, Colorado, Nebraska, Nevada, Pennsylvania, and Virginia**, passed legislation that re-defined their state workforce development system with particular attention to sector partnerships

Arkansas SB 891, requires "institutions and organizations [to] unite around shared regional sector strategies that support an employer demand-driven workforce system."

New Jersey has braided several funding streams, including WIOA, SNAP E&T, and others to create a \$5 million Targeted Industry Partnership fund to identify and support promising ideas proposed from regional partnership.

Several states have also identified administrative changes that can lead to more successful sector partnerships, including:

- Incorporating sector principles into other grants;
- Braiding different funding streams to better support partners; and
- Crafting general regulatory or policy guidance for locals.

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6. Performance Measurement



Colorado is now experimenting with actual performance metrics for their emerging and active sector partnerships. The metrics request that sector partnership conveners track indicators of success across three categories:

Impact on employers, including reductions in turnover or time to hire and increases in productivity;

Impact on jobseekers and workers, including new or improved training or education programs, program enrollment and completion, and job placement and retention; and

Impact on public programs, including evidence of formally shared funding streams, and evidence of increased program alignment.

Why Now?

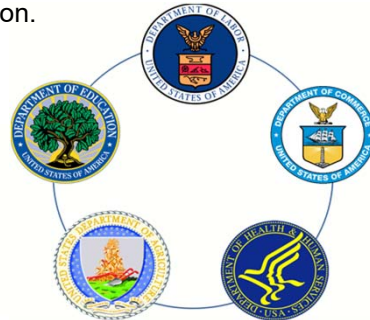


The **Workforce Innovation and Opportunity Act (WIOA)** presents new opportunities, with a focus on:

- Increasing access to education, training, and employment – especially for people with barriers to employment.
- Creating a high-quality workforce development system that aligns workforce, education, and economic development.
- Increasing economic self-sufficiency, meet employer needs, and enhance the competitiveness of the nation.

Other relevant legislation:

- Every Student Succeed Act (ESSA)
- Carl D. Perkins Act
- Higher Education Act
- Other legislation with workforce programs, including TANF, SNAP, and others



WIOA, ESSA, and You



Under WIOA, states are encouraged to:

- Ensure local Workforce Boards use funds to develop, convene, or implement industry or sector partnerships.
- Use the Governor's 15% reserve to provide assistance to local areas to support the effective development, convening, and implementation of industry or sector partnerships.

Under ESSA, states are encouraged to:

- Promote skills attainment important to in-demand occupations or industries in the State; and
- Use indicators of career readiness in state accountability systems.

Bringing it Together



State strategies to support sector partnerships are a proven way to address the skills gap by:

- Connecting individuals to middle-class jobs; and
- Ensuring local businesses have the talent to compete globally .

How is your state currently supporting the sector approach?

What can your state prioritize to make progress to better meet the needs of workers and industry?