

The Road to Sector Success: A Guide for Workforce Boards



National Association of
Workforce Boards

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The National Network of Sector Partners
Linking Industries, Communities, and Workers
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Introduction

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An increasing number of workforce boards are using sectoral strategies to strengthen their outreach to the business community in their area and to build stronger links with regional economic development efforts. Success among workforce boards using this strategy points to lessons learned that can be used by other boards considering a sector approach.

This guide is a joint effort of the National Association of Workforce Boards and the National Network of Sector Partners. It is designed to provide:

- ▶ Simple how-to's for workforce boards interested in getting started using a sectoral approach, and
- ▶ Lessons learned from some of the nation's strongest performing WIBs to help you maximize success as you implement a sector approach.

It includes a list of questions workforce boards most frequently ask about implementing a sector strategy, some answers to help you on your way, and a list of key resources that can provide a road map as you begin.

What are Sector Initiatives?

Sector initiatives are long-term efforts that integrate workforce and economic development strategies. They have four defining characteristics:

1. Sector initiatives **focus attention on the needs of multiple employers in a specific industry** in a specific community or economic region.
2. Sector initiatives serve **dual customers**—delivering new solutions to employers in the target industry as well as to the workers or the unemployed who might improve both their short- and long-term economic status by providing improved staffing in the industry.
3. Sector initiatives **build in-depth knowledge of the industry and design multiple solutions** to staffing and competitiveness challenges facing the industry by coordinating an array of resources to improve these challenges over time.
4. Sector initiatives promote **community change** that achieves win-win solutions for employers and workers in the industry. These can occur through shifts in industry practice, reform of education and training systems, improvements in recruiting and support systems for entry level employees, the institution of new career ladders, and/or productivity enhancements throughout the industry, to name a few.

Typically, sector initiatives are launched and led by a *sector intermediary*. This is an organization that builds in-depth knowledge of the industry, establishes relationships with multiple employers, conducts research to monitor the industry's changing needs, coordinates community resources to address industry staffing and competitiveness needs, and invests in potential and current workers in the industry to create enhanced opportunities. Many different kinds of organizations can perform the function of sector intermediary, including workforce boards, community-based organizations (CBOs), business associations, educational institutions, and labor-management partnerships. The intermediary may provide direct services or training itself or may serve in as a coordinator or broker only.

Sector initiatives are not one- or two-year targeted training programs that build an advisory committee of employers, meet quarterly to review curriculum or to interview students, and/or conduct a job fair. They are long-term and use multiple strategies that make substantial investments. Their strategic value and success increases as their work matures.

The Roles of WIBs in Sector Initiatives

Over the past five years, workforce boards have successfully taken on multiple roles in sector initiatives in their communities. They:

- ▶ Serve as **stimulators of successful initiatives**—holding summits, developing labor market analyses that make the case for the targeting of specific sectors, and convening stakeholders in the community to work toward developing an initiative.

The nine workforce boards serving the metropolitan Chicago, Illinois, region joined together to collaborate in two key sectors important to the regional economy—health care and manufacturing. To ensure that their work was grounded in the best information possible, the boards sponsored workforce summits for each of the two sectors, bringing together employers, education and training providers, unions, industry associations, and others. These groups worked together to identify key needs, training issues, and other factors that would affect the growth of a state-of-the-art workforce for these industries. The next step was to develop action teams in each sector to determine how to work together to meet the identified needs. These groups are working to develop common career pathways in each sector across employers, to find ways to improve the delivery of training and coordination between providers, and to determine how to improve the knowledge base of WIB staff about the target sectors. Sector activities and services will be carried out by many groups across the nine workforce areas.

- ▶ Act as the **sector intermediary themselves**—investing deeply in a single-industry sector vital to their community and managing the multiple strategies of an initiative over time;

Worksystems Inc., the three-county workforce board in Portland, Oregon, is acting as the sector intermediary itself. It has developed deep relationships and coordinated services in the health care sector. It is planning to use the sector approach to build similar expertise and leadership in several other sectors critical to its regional economy. Worksystems Inc. assigned an industry manager at the WIB to develop and lead the health care sector effort. The staff built relationships with employers, developed innovative service strategies to address their needs, and worked to coordinate other community services to prepare individuals for training and employment in the sector. Worksystems Inc., with labor and employer partners, helped implement a one-stop career center at a hospital to coordinate services with the employer, to advance the careers of incumbent workers, and to strengthen the one-stop staffs' connection to the industry. Today, Worksystems Inc. is considering the development of a number of industry-specific one-stops.

- ▶ Participate as a **supportive partner** in a sector initiative led by others, bringing the resources of the WIB and one-stop career centers to the table to facilitate success, such as providing training accounts, financing business services, convening focus groups of area employers to assist in designing the effort, and selecting locations for recruitment and career information workshops, etc.

When the Department of Labor established a national sectoral demonstration effort several years ago, *Worksource*, (the Austin, Texas, WIB) and the Rural Capital Area WIB (representing the surrounding counties) joined with the Capital Area Training Foundation (CATF) to create a proposal to develop work in a new sector—financial services. Rather than create a competing effort, the WIBs drew on the expertise of the local nonprofit, which had been using a sectoral approach for many years, and with the combined expertise, was able to take a regional approach to assist the financial services industry. The WIBs contracted with CATF and worked as key stakeholders and financial intermediaries in this effort. CATF served as the convener but worked closely with *Worksource* and the Rural Capital Area WIB staff. Each WIB sustained a key role in the effort but did not serve as the intermediary.

- ▶ Provide a **vehicle for financing** the emerging initiative—by seeking funding through federal or state funding streams that can help the intermediary and other stakeholders carry out the work of the initiative.

The Mayor’s Office of Workforce Development (MOWD) for the City and County of Denver, which staffs the local WIB, targets several growth industries for its sector work. Using in-depth research into labor market trends, and seeking funding through federal or state funding streams that can support industry-specific workforce development, MOWD has developed a variety of strategies to support sector initiatives. In order to gain valuable knowledge of industry needs and trends and become trusted advisors, MOWD Business Specialists work directly with targeted industries. This staffing structure serves to inform the development of financing mechanisms focused on high-growth industries and high-demand occupations, including sector-specific Individual Training Accounts, and City General Funds that are matched by businesses within the targeted industries. In addition, MOWD has applied for and received State WIA Discretionary funds to support sectoral initiatives in health care, printing and publishing, and hospitality, and develops Requests for Proposals for intensive services and training of WIA and TANF participants to be provided by community partners around industry sectors. By taking the reins of the financing of this work, Denver MOWD has streamlined the administrative process, has helped many of its partners to access new funding streams, and has become a key community leader in the sector arena by employers, local educational institutions, and community-based organizations.

- ▶ Develop **sector-supportive policies** that promote the use of initiatives in their community and region.

The DC Workforce Investment Council (Washington, D.C.) was one of the nation’s first to develop a strategic initiative using a sector approach. The council’s policy determined that key sectors be identified and that funding decisions for training be aligned with these sectors. This led to the establishment of an ongoing health care sector initiative with the DC Hospital Association and its members. Other states and local boards have now passed similar policies or aligned the use of their governor’s discretionary or other targeted state funds to support initiatives in key industry sectors. Washington state and Illinois are examples of states that have adopted this approach.

Workforce boards can play any of these roles successfully to move a sector initiative forward in their community or region. In fact, WIBs may play different roles in different sector initiatives underway in their regions – serving as the lead intermediary in one, a supportive partner in another, and a financier of still others. Alternatively, a WIB may take the stimulator role in multiple sectors, providing minimal follow-up support once the initiatives are launched and another intermediary is identified to sustain the effort.

There are several common mistakes that WIBs sometimes make in developing sector strategies that interfere with the development of successful initiatives in their community or region. Watch out for these roadblocks:

- ▶ Launching a competitive initiative when another group already has begun one in the same sector in the community or region
- ▶ Fighting to retain the intermediary role when another group has already established this role with the industry, rather than finding and staffing a supportive role
- ▶ Understaffing the sector initiative and being unable to deliver promised outcomes
- ▶ Assuming it knows the needs of industry and designing programs without a deep connection to the employers in the industry
- ▶ Refusing to use its leverage or eligibility to bring new funds into a community to support the initiative
- ▶ Failing to build relationships with outreach groups targeting potential new workers or incumbent workers in the industry and miscalculating the needs of these groups in designing new programs
- ▶ Being unwilling or unable to adapt to changes in the industry and sustaining old programming that no longer fits industry need

Getting on the Road: Developing a Sector Initiative in Your Community

Planning and implementing a sector initiative is a challenging and rewarding undertaking for any WIB. Considering all of the opportunities, challenges, potential partners, and strategies is essential to a successful outcome. The next section is intended to serve as a guide as you move down the road to sector success.

Phase I: Planning a Sector Initiative



Considering the launch of a sector initiative requires a period of inquiry, planning, and relationship building. It also requires an internal assessment of the resources you can bring to the effort. WIBs may spend three months to a year on this phase of the project. The following questions will help frame this period of inquiry:

Question 1: *What are the critical sectors in the region and how will their growth or decline affect the community and workforce?*

The first step in planning for a sector initiative is to determine which sectors have the potential for success. In your region, several sectors may be projected to grow in the near to long-term. Health care is an industry that fits this description in many areas. There may also be sectors experiencing a decline in jobs but where retaining the industry is vital to the well being of the community. A sector initiative could be implemented in either case; however, the strategies used might be different.

There are a variety of resources to use in researching potential sectors in your community or region. State economic and employment development agencies often track city or county-level employment and develop projections for future job growth. Local economic development agencies are also a source of information on sectors that may be targeted for economic development activity by city or county leadership. Community audits can provide another helpful tool in determining which sectors could benefit from a sector initiative. Once you have learned more about sectors that are critical to your community, you can move forward to the next step: identifying workforce issues.

QUESTION 2: *Is there an industry in the community or region with human resource and staffing challenges that could profit from a sector initiative?*

The next step in considering a sector initiative is determining whether an industry in the region is suffering from human resource or staffing problems affecting multiple employers. When challenge is acknowledged by the firms in the field, the climate is most receptive to begin a sector initiative.

What kinds of challenges might these be?

Employers in your community may be facing any of the following common human resource/staffing problems:

- ▶ Difficulty recruiting or retaining entry-level employees
- ▶ Extremely high turnover among key positions
- ▶ A lack of workers with the flexibility and/or support to work the shifts that current business demands
- ▶ Employees without sufficient technical skills to do the job adequately
- ▶ A large gap between the skills of job applicants and those required for critical positions lacking trained workers in the community
- ▶ A large number of immigrant or other workers in entry positions with limited English proficiency or limited literacy
- ▶ Key employees critical to business success who are reaching retirement age without a skilled workforce following behind them
- ▶ Closure of high schools and vocational programs in the sector that provided the entry-level workers
- ▶ Major changes in technology affecting the business for which employees lack the technical skills to make the shift
- ▶ A lack of flexible skills among current employees to accommodate product changes required to remain competitive
- ▶ The need for workers without the transportation to move between multiple sites where work is now taking place in the sector
- ▶ A lack of human resources capacity among small- to medium-sized employers that makes recruiting and advancing workers difficult
- ▶ A lack of training slots or a shortage of qualified instructors at local education and training institutions causing a “bottleneck” for workers trying to advance

Sector initiatives have been designed in more than 23 industries to address issues like these. Depending on the industry and skill requirements, there may be additional critical problems that are crying out for community attention for the target sector to flourish and be a successful contributor to the regional economy. Discovering and documenting these challenges is the first step interested WIBs must take in pursuing a sector initiative.

Because these strategies must be truly demand-driven, it is critical to start with the employers in the sector. If there are no common problems among employers in a key industry, it will not be easy to develop a sector initiative, and it may be best to choose another workforce development strategy.

Can sector strategies be implemented in rural communities?

Sector initiatives have been started successfully in extremely rural environments when they begin with a group of struggling small businesses or entrepreneurs who are not in touch with other businesses and have not considered how to grow their sector. This is another way to create a sector initiative, adapted to an area of high unemployment and few jobs.

An Ohio collaboration between the county economic and workforce development agency, Ottawa County Improvement Corporation, and the employment and training services division of WSOS Community Action Commission, demonstrates that a sector effort can be developed by looking at the needs of a group of smaller businesses in a skill shortage area. Through a review of businesses working in and around local marinas on the lake in this largely rural area, the WIB and its CBO partners determined that they could help grow this sector by both improving training for workers and working to grow the businesses. Among their accomplishments was the attraction of a larger marine trades business to the area along with that company's contribution of the equipment for a marine trades training center.

Another useful strategy in more rural environments is to look at the needs of employers across a broader geographic region—including multiple WIBs—and to collaborate on a sector effort that congregates employer needs across traditional boundaries.

This strategy can also be useful in an urban/suburban environment, where a particular industry both hires and acts regionally.

In a 10-county area of south-central Pennsylvania, the Berks, Lancaster, and South Central workforce investment boards have worked together to develop data-driven, sectoral approaches in the health care, construction, and food industries across what is essentially a common labor market. The sector interventions that have been in place during the last two years have included area-wide media recruitment campaigns, the use of one-stop centers as a source of jobseeker information and referral, and strong linkages with the employer community as well as the educational programs that train professionals in the sector. All of the boards have sector projects that are unique to their areas as well as additional projects with other boards. Planning revolves around the geography of the job market that serves the industry not around geography per se.

Workforce boards have used a wide variety of methods to discover and document the problems of industry employers as they begin sector initiatives. Some workforce boards have held meetings with major employers in a variety of industries. Some have held focus groups of personnel officers in two or three potential industries. Some have conducted personal interviews with a variety of small business owners in key industries. Others have contracted with their local chamber of commerce, industry association, economic development agency, or local university to carry out research.

Developing a report that illustrates the common problems identified along with supporting labor market data can be a valuable final step in the sector planning process. This document can be used as the “case statement” for an initiative and can galvanize the employer community to work together.

QUESTION 3: Who is unemployed or underemployed in the region or working in low wage jobs in the industry you are considering? What are the skills, interests, and needs of these groups?

Once you have identified particular industries to target and particular problems to be solved, your focus moves to the industry’s current and/or potential workforce. Depending on the human resource problem to be solved, you will want to learn more about the people needed to solve the problem.

If the problem relates to a current workforce that lacks the needed skills for the company to be truly competitive or to produce quality products and services, you will need to learn more about these workers. What are the skill concerns of supervisors? What are the experiences of entry-level workers in the firms? How is training for workers provided now? Do current workers have the resources to invest in upgrading training? Do they have the time to do so? Where is such training currently available? Do incentives exist for workers to get additional training? If the workplace is unionized, union stewards or leadership can be helpful in addressing these questions and in designing solutions. If not, interviews or focus groups with employees and front-line supervisors, surveys, and discussions at staff meetings can be used to garner the necessary information. Additionally, information may be available from employee associations.

If the problem relates to a lack of qualified workers, a good place to start is by analyzing local demographic data on unemployment, underemployed, and workers’ educational backgrounds and skills. You will also want to talk with service providers who work with public assistance recipients, community organizations that serve low-income residents, training providers, educational institutions, and others. There are many questions to ask: What are the skill levels of those looking for work in the area? Are the unemployed aware of opportunities in the target industry? What barriers exist to working in the industry for the unemployed? Are plants or work sites distant from public transport? Do shift hours conflict with transport or child care needs? Do potential workers have literacy or language barriers?

Finally based upon the information you collect, you will want to determine which population the initiative will focus on to meet industry needs. Organizations with outreach to these groups will become important stakeholders in the initiative.

QUESTION 4: Who is already working to make a match between the industry and those needing employment or advancement in the industry? Who could be a resource in this effort?

Existing education and training providers that are currently working to match community residents with jobs in the industry are the next point of inquiry. Why have their efforts fallen short of meeting industry need? Is funding the issue? Are the courses offered poorly timed or insufficiently tailored to meet the needs? Do the unemployed lack prerequisite skills to enter the training? Are the programs offered at times that current workers can't participate? Are the needs so specific that a general education provider can't offer a sufficiently targeted service? Are the courses too expensive for those who need them? Are the workers or unemployed unaware of what is available? Are there simply not enough funded slots in the education institutions to meet employer demand? Are the instructors in the training programs too distant from the needs of industry and unfamiliar with their needs? What would it take to improve the match, given the population most needed by the industry?

Current education and training providers can become valuable stakeholders in the initiative.

What part does the WIB currently play? Are there representatives from the industry on the Board? Does the Board offer any business services to employers in this industry? How much does current WIB staff know about this industry? Is the WIB referring potential workers to training that is appropriate and valued by employers? Do one-stop personnel know about training offerings in the target sector? Analyzing how the WIB currently interacts in the sector will be an important part of this inquiry.

QUESTION 5: What role can and should the WIB play in this effort? What resources does it have to offer an initiative? Who else needs to be involved?

Each workforce board considering launching or participating in a sector initiative needs to determine the role it would like to play. If interested in becoming the sector intermediary, the WIB will need to make a multi-year commitment of staff, be willing to convene and sustain a group of key stakeholders, build credibility with and deliver to the employers in the target industry over time, coordinate fundraising among multiple sources to sustain the effort, and be willing to lead a community change process that will affect how workers move into and advance in the industry. Workforce boards that succeed as sector intermediaries typically have dedicated time of the

director and staff functioning as industry managers/coordinators, and have actively sought resources from a wide variety of sources. Many have built multi-WIB efforts in their regions. This type of effort requires in-depth collaboration among the partners to share funding and credit for accomplishment. Most successful WIBs build substantial budgets for these endeavors that combine state, federal, foundation, corporate, and other funds to support the many strategies employed.

The WIB may also decide to play a supportive role rather than taking the lead. Perhaps a more appropriate intermediary already exists. Perhaps sectoral work has begun under the leadership of a local community-based organization, an industry association, or a trade union. In this case, the WIB will want to determine how it can contribute to making the initiative successful and what resources it can bring to the table. These may include helping with labor market analysis, providing some of the connection to employers in the industry, help with financing, or serving as a strong member of the stakeholder team. Perhaps the WIB can make sure that its one-stop staff are knowledgeable about the industry targeted and are a source of accurate career information and referral to training. Perhaps the WIB can use its individual training accounts to help purchase community college training for people entering the field or can help raise funds for incumbent worker training provided by others. Shape your supportive role based on what fits the strengths of your organization and the needs of the sectoral initiative.

QUESTION 6: Is there industry support, energy among other stakeholders, clarity about the problem to be solved, a willing intermediary to take the lead, and willingness to move forward toward an initiative?

After reviewing questions 1 through 5, the WIB and potential stakeholders must confront the final areas of inquiry: Is this the time to conduct a sector initiative in this community? Which sector should an initiative target? Is there industry commitment to move in this direction? What populations should the initiative work to engage? Who will be the initiative's sector intermediary, and what will be the mission of the effort?

At this point, many WIBs and their partners create a strategic plan to launch a sector initiative and raise the resources to begin.

Phase II: Making it Happen



Once you have answered the questions in phase 1 and determined the sector you wish to contribute to, you will want to learn about similar sector efforts undertaken in that industry. It may be possible to visit other initiatives or to set up teleconferences to discuss strategies these groups have used, how they have funded their initiative, and what they have learned. Some WIBs have contacted other practitioners who have successfully launched initiatives to share their successes with their stakeholder group. It's also a time to read about successful initiatives and look for models and strategies that might work in your community. A number of organizations can provide resources to you in this phase. The resources listed at the end of this report are a good place to start.

At this stage, your stakeholder group should be meeting, working together to learn more about your options for action, and beginning to determine first strategies to address the problems identified by employers. Following is a small sampling of strategies that have been developed by other WIBs in their sector initiatives:

- ▶ English as a second language (ESL)/literacy efforts—designed in the context of the industry—to interest and prepare the unemployed for entry-level jobs in the target industry
- ▶ A training institute that provides both new entrants to the field and current entry-level employees with stronger occupational skills in the target industry
- ▶ A career information campaign that links to workshops at a one-stop to help community residents learn about the jobs in the industry and get referred to training
- ▶ Front-line supervisor training from multiple companies about how to retain entry-level employees
- ▶ Soft skills training for the unemployed, helping them better understand what is needed to succeed in a particular industry
- ▶ The development of a nonprofit temp agency to screen potential workers and ease the placement of workers into the industry
- ▶ A career ladder effort intentionally advancing workers from one occupation to another—with training and coaching focused on each step up
- ▶ New apprenticeships or the tailoring of current apprenticeships to a particular target population

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- ▶ The development of a sector-specific one-stop to centralize employer services and career information for workers in one environment

Most sector initiatives use multiple strategies to address the workforce problem that is the centerpiece of their work. These often combine new entrant and incumbent worker training, supervisory training, support for management in addressing recruitment or turnover problems, the development of new curriculum at a local educational institution to better meet employer need, and new, industry-specific supportive services for potential workers over the course of a three- to five-year initiative.

Keeping Track of Outcomes and Refining the Strategies

Because sector initiatives are “dual customer,” it is vital to collect data and outcomes for both the employers and the workers or new entrants served. Capturing the benefits to the employers helps build their ownership of the initiative. Common benefits reported by employers engaged in sector initiatives include:

- ▶ Reduced recruitment costs
- ▶ Lower training costs
- ▶ Reduced turnover
- ▶ Lower production and/or waste costs
- ▶ Greater promotion-potential of entry employees
- ▶ Higher quality customer service.

Work with your employer partners early to decide which outcomes they would like to see and how capturing these could be beneficial to the project. There may be different short- and long-term measures that you will want to use to help refine your strategy, plan for next steps, or show your progress. Try to establish a “baseline” of data so that your outcome measures are meaningful, and be sure to share your progress with all the project partners as you move forward.

On the worker and new entrant side of the equation, research has been conducted by the Aspen Institute and Public/Private Ventures about sector efforts across the U.S. They document several tangible benefits:

- ▶ Increased earnings
- ▶ Increased hours worked
- ▶ Greater access to employee benefits, such as health care and annual leave
- ▶ Improved job retention

Sector initiatives need to include ways to track outcomes such as these in addition to the participant outcomes (earnings gains, etc.) required by Workforce Investment Act performance standards. This will ensure that the full benefits to both customers can be communicated to stakeholders, funding organizations, and the community.

Tracking the outcomes and communicating them on a regular basis to employer partners will also help workforce boards learn quickly about changes in the industry that may require modifications in the program design or the development of new strategies. For example, a shift in the overall economy might herald a need to shift from recruitment to upgrading strategies in a tight economy – or conversely from upgrading to active recruitment of new workers during an economic upturn in an industry.

Funding Your Initiative

Workforce boards have funded sector initiatives through U.S. Department of Labor (USDOL) demonstration grants, H-1B grants, dislocated worker funds, governor’s discretionary funds, TANF funds, foundation monies, corporate contributions, state incumbent worker monies, vocational education dollars, and adult basic education funding. Some have funded special initiatives using labor trust fund monies, vocational rehabilitation dollars, ESL grants, and youth monies, depending upon the population to be served. Some have developed community-based events or employed fundraising to cover strategies that are harder to finance.

Others have received in-kind instructors from business and educational institutions. Most sector initiatives build their budgets with monies coming to a variety of initiative partners, not just to one central organization. For example, an initiative might include supportive services and soft skills training funded by a foundation at a CBO as well as training services funded at a community college. This is a large job and requires capacity within the sector intermediary to do multi-source fundraising. Many WIBs – including the Boston PIC, the DC Workforce Board, and others – have established themselves as 501(c)3 nonprofit organizations to facilitate this process.

Why Make a Sector Investment?

Given the significant investment of staff, resources, and time involved in a sector initiative, why should a WIB consider starting on the road to sector strategies? There are three good reasons:

1. Data indicates that individual workers and business experience excellent outcomes from sector initiatives.

Numerous studies indicate that workers involved in sector initiatives see significant increases in earnings, more full-time employment, and greater access to jobs with health and other benefits. Both the Aspen Institute and Public/Private Ventures have documented the success of sector initiative clients.

Long-Term Impacts of Participation in Sector Initiative Training on Workers

Findings from the Aspen Institute Sectoral Employment Development Learning Project

Outcome	Baseline ^a	One Year After Training	Two Years After Training	% Increase w/in 2-Year Period
Median Earnings	\$4,144	\$13,650	\$16,894	308%
Average Hourly Earnings	\$8.63	\$10.35	\$11.32	31%
Employed Year-Round ¹	32%	59%	70%	38%
Median number of hours worked per week	20	40	49	245%

Public/Private Ventures' Sectoral Employment Initiative analyzed five high-wage and two low-wage training programs to assess participant outcomes in terms of earned income.

- ▶ 93% of participants in the seven programs that provided training and placement assistance worked at some time during the year after training, with average annual earnings of \$17,625, an average increase of \$8,038 over the year prior to entering the programs.
- ▶ For those that completed sector initiative training programs, average annual earnings were \$4,178 more in the year after training than those who did not complete the program (this increase in earnings takes into account both demographics and prior work experience of all participants).
- ▶ Participants in sector training initiatives targeting high-wage jobs saw an average increase in earnings of \$9,536 one year after training. Those training for traditionally low-wage jobs also saw an average increase of \$5,026.

Employers indicate that they also see numerous benefits as a result of working with sector initiatives. The Aspen Institute is currently in the process of tracking employers in their Documenting Demand Side Outcomes project, which is a formal evaluation of the impact of sector initiatives on workforce and productivity in the health care and manufacturing industries.

a. Baseline wages from year prior to training

1. See *Gaining Ground: The Labor Market Progress of Participants of Sectoral Employment Development Programs*. Lily Zandniapour and Maureen Conway, Aspen Institute, 2002.
2. Among employed participants, which account for approximately 94% of the total participants.
3. *Findings from the State Workforce Policy and Sectoral Employment Initiatives*, presented by Anne Roder of Public/Private Ventures at the Annie E. Casey Foundation's Jobs Initiative Research Conference, February 27, 2003.

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2. Sector initiatives can transform the relationship of WIBs to the employers in their regions creating a vital connection and lively partnership.

Deepening relationships with the business community and industry partners has been a key outcome of most sector initiatives. In 2002, NNSP and the Aspen Institute conducted an interim review of the U.S. Department of Labor Sectoral Demonstration Grantees and found that the majority of WIBs using the sector approach had improved their relationships with the business community. Most were successful in bringing significant employer engagement into their projects via donation of resources and actual participation in project activities. In addition, some WIBs found that the sector project enabled them to interact with employers who had no prior involvement in public workforce development activities.

3. Sector initiatives enable the WIB to make a valuable contribution to the economic development of the region and to create a presence and visibility in the community as a vital resource.

With workforce boards building deeper relationships with key employers and economic development partners in their regions, they enhance their position in their communities. Rather than being seen as purely a social services provider, WIBs using a sector approach are seen as contributing to the region's economic problem-solving and vitality. In this way, WIBs can work to sustain key industries and help to build others.

Conclusion

NAWB and NNSP encourage your board to consider sector initiatives as one of your tools for the future. The road to sector success can be an exciting and rewarding road for your workforce board, your community, and the industries in your region. Get on the road!

Frequently Asked Questions



Sector initiatives seem to be beyond the scope of WIA. Will I be getting out of my depth if I get into one?

For those workforce investment boards that have successfully launched them, sector initiatives have enabled them to build funds for training and other strategies – including business services – far beyond WIA. But a board has to make the decision to move in this direction. There are both opportunities and challenges.

Sector initiatives are expensive. How can I raise the money?

Sector initiatives require multi-source fundraising efforts. It is helpful to have staff experienced in this arena or to have partners who can take the lead with sources less familiar to the WIB. Some WIBs have hired fundraising consultants to help them.

WIA tells me to be a universal provider. Not everyone is interested in one sector. Aren't these goals in conflict?

Most WIBs that launch sector initiatives also provide more universal services through one-stops and other work they are doing. Sector initiatives allow a WIB to go deeper in a particular industry. Some WIBs are conducting initiatives in several sectors, providing varying levels of leadership in each.

How can I get more information?

Both the National Association of Workforce Boards and the National Network of Sector Partners are committed to get you the information you need. Watch for workshops and seminars at NAWB events, and visit www.nawb.org and www.nedlc.org/nmsp for additional resources. Finally, use the resource list on page 22 to learn more.

Resources



National Association of Workforce Boards (NAWB)

The National Association of Workforce Boards represents the interests of the nation's business-led Workforce Investment Boards. NAWB is guided by a Board of Directors, composed primarily of Workforce Board chairs and past chairs that oversee job training at the local level. Founded in 1979, NAWB membership consists of local boards and governor-appointed state workforce investment boards representing approximately 15,000 volunteers from business and other sectors. Services available include customized-training, publications and information dissemination to workforce investment boards.

National Network of Sector Partners (NNSP)

The National Network of Sector Partners is the trade association and resource center for organizations working to develop industry-specific workforce and economic development initiatives across the United States. NNSP can provide you with information on organizations conducting initiatives in the specific sectors you are considering to share strategies that have worked elsewhere. Visit www.nedlc.org/nnsf for profiles of current initiatives, publications, conference announcements, resources, and a quarterly newsletter. Small grants, teleconferences on hot sector topics, and other resources are also available to members.

Aspen Institute Workforce Strategies Initiative

The Aspen Institute Workforce Strategies Initiative has conducted evaluations, provided technical assistance, and designed key publications in the sector field. Search Aspen's Web site at www.aspenwsi.org for key publications, findings, and materials on developing outcomes for both individual program participants and employer partners, including information specific to WIB-sponsored sector initiatives.

Public/Private Ventures

Public/Private Ventures has developed key publications and evaluations on sector initiatives, offers convenings and trainings for workforce development professionals (Working Ventures), and runs a small grants program to assist workforce organizations strengthen practice on key practice areas. Search the PPV Web site at www.ppv.org for a range of publications and materials of help to practitioners.

AFL-CIO Working for America Institute

The Working for America Institute supports the development of sectoral labor-management partnerships through publications, technical assistance, and workforce policy supports. Visit its Web site at www.workingforamerica.org for information on labor-management sectoral programs in the building trades, health care, hospitality, and manufacturing sectors.

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