**Workforce 3One**

**Transcript of Webinar**

**ETA 2016 SECTOR STRATEGIES VIRTUAL INSTITUTE**

**State Level 101: The State's Crucial Role in Seeding and Supporting Sector Partnerships**

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OPERATOR: Good afternoon. My name is Benita and I will be your conference operator today. At this time, I would like to welcome everyone to the "State Level 101: The State's Crucial Role in Seeding and Supporting Sector Partnerships" workshop hosted by WorkforceGPS.

I would now like to turn the call over to Brian Keating with Maher & Maher. Please begin.

BRIAN KEATING: All right. Thanks, Benita. Welcome, everybody. Thanks so much for joining us again, many of you, for – looks like many of you have already attended one of the other workshops or sessions in this virtual institute, which is all week today – this week. So thanks so much for participating today and maybe on other sessions as well. You're probably familiar with how we're conducting these workshops.

So I'm going to get myself right out of the way. Before I do, though, I just want to encourage you to introduce yourself and feel free to type anything by way of questions into that main chat window that is going to be up on your screen there and then we're going to have about 20 minutes of presentations up front and then like we've done before, we're going to go to a collaborative breakout format for about 25 minutes or so. So if everybody could find their mute button and get ready to use that if you have background noise, but also feel free to jump in on the phone when we do go to the breakouts.

That would be great, because we definitely want to hear from you and we're looking forward to getting your ideas and comments and suggestions. So without any further ado, I'm going to turn it right over to our first presenter.

So I'd like to introduce Mike Bartlett. Mike is a policy analyst with the National Governors Association. Mike?

MICHAEL BARTLETT: Thank you so much, Brian. It's a pleasure to be joining everybody this afternoon. Again, my name is Mike Bartlett. I'm a policy analyst in our workforce program at the National Governors Association.

A little on my background. Prior to joining NGA, I worked for Governor Beshear in Kentucky where I worked on a lot of workforce and education policies. So again, I'm very glad to be here this afternoon and I think this is going to be an excellent discussion. So as Brian mentioned, please use the chat feature there on the left to just tell us a little bit about where you are and where you're from. I notice some people have already been doing that. So that's always great for us to hear.

So what are we going to be talking about this afternoon? I think we have three kind of clear objectives that we want to focus on. So this session and the 201 session that'll be following later this afternoon are really focusing on what is the state's role in seeding successful local and regional sector partnerships?

States have a very important role to play in terms of providing support and assistance to local areas as they develop and grow and continue to sustain partnerships with industry in the long term. So we're going to be hearing from a few state examples who have this vision clearly in mind. So we're going to describe and explore the state's role there. We're also going to discuss how sector strategies fit into a broader context of workforce and economic development efforts.

Sectors are not something that happen in isolation and in order to really achieve success, states can really focus on weaving it into some of their broader education, economic development and workforce efforts, that kind of three-legged stool as they always say. And finally, one of the things I'm going to do before I turn it over to our speakers is identify what we're calling six core capabilities for states that are looking to develop high quality partnerships.

So these are six capabilities that we've identified as being very important for any state that's looking to provide that supportive framework for local and regional partnerships to flourish. So I'll briefly kind of run through these six and talk a little bit about them and I believe as we move through our speakers' presentations, these will really come out as some of the things that they think about as they're moving forward with their work and hopefully things that are relevant to what you all are doing in your states.

So kind of the first of these – and they're in no particular order – is having a shared vision and goal. So it's really developing a shared vision across agencies of sector strategies that focuses on serving and positively impacting the state's economy and job seekers. So it's having that really clear idea of why are we doing this work, why is this work important and who's the ultimate customer, businesses and individuals looking for employment?

The second category, just going across the right there, would be industry data analysis and tools. So the state has a role in providing rigorous labor market data and effective tools to really help local and regional sector partnerships make informed decisions about target sectors and investments.

So by using that industry data, the state really is able to leverage the data resources they have and bring that to local and regional partnerships to help them make good decisions. The third area is training and capacity building. So that's really providing technical assistance to local and regional areas to expand their capacity to build partnerships.

You'll hear Colorado talk a little bit later, one of the things they've done have been sector academies and sector institutes where they're able to deploy intensive technical assistance to their own internal staff to help them be able to support local partnerships.

Our fourth category is awareness and industry outreach. So it's effectively promoting the value of sector partnerships and actively recruiting industry champions to participate at the local level. A lot of states have taken the approach of finding those business champions who speak the language of business and employers who are able to clearly tell their peers across the state the value. You know, they're able to say that we're investing in these partnerships because we know they work for our bottom line and that's very powerful.

The next is administrative and legislative policy. So this is the one that gets a little bit more in the weeds, but it's making sure, whether it's through legislation, the regulation or just through different policy frameworks or guidance that's provided to local and regional partners is insuring that the necessary policy and funding mechanisms are in place to help both establish, sustain and ultimately scale local sector partnerships.

So that'll be an important one for us to dig deeper into today. And last, but certainly not least is around performance measurement. So we're investing resources and sector partnerships, we're spending a lot of time and effort on sector partnerships. What we have to focus on is making sure we're measuring what these partnerships are doing to insure that they're being successful and using information from that process to drive policy and practice to make sure that ultimately we're getting the outcomes for employers and for individuals that the system is looking for.

So that's a really quick and dirty outline of what the kind of broad framework we'll be using to talk about what the state's role is in – with regard to sector partnerships. So what I'll do now is I want to turn it over to hear from the states, from the people who are on the ground doing this every day. So we'll hear first from Emily and then from Aaron, but I'll do introductions of them both right now.

So Emily Lesh is currently the assistant director of the Colorado Workforce Development Council, which is a dynamic partnership between workforce development, economic development, education, business and government. Emily has been instrumental in Colorado's efforts to accelerate the development of sustainable industry-driven sector partnerships across the state. Colorado has done a tremendous amount of really advanced thinking around sectors, particularly around the area of measurement.

So I think Emily will have some great stories to tell on that. Our second speaker after Emily will be Aaron Fichtner who is currently the deputy commissioner of the New Jersey Department of Labor and Workforce Development. In that position, Aaron oversees several different policy areas, including workforce operations of business services, workforce development and economic opportunity, income security, labor standards, a very – a broad background.

I'll also say Aaron currently serves as the chair of the National Association of State Liaisons for Workforce Development Partnerships. Long name, but Aaron has a keen awareness of what's happening nationally right now in many of these spaces. And New Jersey has been some tremendous work around sectors right now also.

So without further ado, I will turn it over to Emily.

EMILY TESH: Great. Thank you, Mike. So I will provide a quick overview about the council and the work we're doing with sector partnerships, but really focus my time on the six capabilities of sector partnerships that Mike highlighted. So the first slide here shows that industry engagement through sector partnerships is really core to the work of Colorado's Workforce Development Council, which is a statewide workforce investment board, but also a broader strategy for the state.

And so that strategy, which his being set by industry on the top-left quadrant there is really informing and driving the development of career pathways in Colorado, which results in Coloradoans having access to meaningful employment and Colorado businesses accessing a skilled workforce, which is then informed by continuous feedback resulting in continuous improvement, which is guiding Colorado's statewide strategies.

So in Colorado, there are over 22 active or emerging sector partnerships. And so I just wanted to show this map to give you the current state of sector partnerships in Colorado and I will quickly want to hit on some of the core elements around taking Colorado's industry partnerships to scale. And so these four core elements have really been key to the state's role in seeding sector partnerships in Colorado and taking them to scale. And so we've provided a state level framework to align programs and resources, which you will see throughout the six core capabilities.

We have proactively integrated sector strategies and sector partnerships as a really core way of doing business in Colorado and utilized a public/private steering committee that is housed within the Colorado Workforce Development Council, but most importantly, I want to highlight that the state's role in seeding sector strategies has really been built upon recognizing the regional differences and strengths across Colorado and really is built upon listening very closely to the needs of our regional partners and first and foremost, businesses across Colorado.

So now to really dive into the six capabilities, so a shared vision and goal in Colorado, the shared vision was established within the Colorado Blueprint, which is an initiative of Governor Hickenlooper, which focuses on 14 key industries. The fifth objective of Colorado's Blueprint is to educate and train the workforce of the future, which watching sector partnerships and in particular, sector partnerships that are informing the development of career pathways are really key to the implementation of this fifth objective.

And so you can see that our Governor Hickenlooper has really helped set the stage and the vision for sector partnerships in Colorado. Also, the governor's Vision 2018 is to grow Colorado's middle class by helping connect people to careers and sector partnerships and career pathways are really key goals underneath that vision and are – continue to provide us with a statewide vision to rally around alignment through sector partnerships. So the second capability that Mike mentioned is the industry data and analysis tools.

And so the Colorado Workforce Development Council has a shared staff person between the department of higher education and the workforce development council that is focused on talent pipeline data analysis. And so this position is a really key position in Colorado that is able to help provide support around statewide data analysis around Colorado's talent pipeline, but then also provide the tremendous amount of support to our regional partnerships.

So for instance, providing data for the regional partnerships' need, whether that's industry-specific data or data around occupations. So training and capacity building has been, as Mike mentioned, a really core tenet to Colorado's sector partnerships strategy. Across Colorado, our work has focused on supporting regional teams that include education, both K-12, higher education, the full education pipeline, workforce development and economic development teams.

And so we really have focused on building the capacity of these teams to grow industry-led partnerships, which are sector partnerships in Colorado and really focused on sector partnerships being a core way of doing business across Colorado and across partners from workforce education and economic development. And so we've provided the training and capacity building in a variety of ways.

So we provide a – we have a monthly peer networking call, we have both industry-specific peer networking calls and then also peer networking calls for folks from across the state to share best practices and lessons learned as they're engaging in this work across Colorado. We also have hosted a sector's academies focused on providing technical assistance to the regional partnerships, but then also several sector summits, which have been focused on a broader audience of partners, both at the state level and also regional level.

We've also hosted and conducted a series of regional trainings over a period of several years and our next step around training and capacity building is to launch a statewide subject matter expert team so that we have state partners across our department of education, department of high ed, office of economic development, international trade and department of labor and employment that are able to provide support to Colorado's regional sector partnerships and be those subject matter experts that our sector partnerships can really lean on.

The next element is the awareness and industry outreach. And so in Colorado, we've focused on awareness and industry outreach through our statewide trade associations, but then also the work is really seeded in our local partners and local partners working across their local business partners.

And so we certainly have worked with partners across the state as they have leveraged their workforce investment boards, their CTE advisory council and other education advisory boards as well as economic development organizations throughout Colorado's regions to really seed and provide a single table for these entities to come together through sector partnerships. So the next element here is legislation and administrative policy.

Most notably, I would note that the Colorado Workforce Development Council is noted as the spot for alignment across workforce education and economic development in Colorado, which has really empowered the workforce development council to take on sector strategies as a key strategy and way of doing business in Colorado.

And so that's an executive order that gives us that authority. We also have several pieces of state legislation that have codified sector partnerships. When it comes to administrative policy, we're working right now on a policy guidance letter for our local areas around sector strategies and career pathways, but that is an area that we are looking to move forward and would love to learn about what others are doing in that area of administrative policy.

So then finally, the sixth core component are performance measures. And so in Colorado, we have a set of key performance indicators that indicate a high performing sector partnership. We are completing a bi-annual survey to really capture the great work and understand the great work that's happening in Colorado's sector partnerships to really be able to both tell the story of Colorado's sector partnerships through gathering both quantitative and qualitative data from Colorado's sector partnerships.

And through that work, we've learned that Colorado's sector partnerships are having a tremendous impact on businesses. They're yielding new markets and products, businesses are reporting stronger relationships with education, a reduction in vacancy rates and employee turnover cost. One company in Northern Colorado reported last summer that they were able to open three new jobs in their business over a 12-month period as a result of the networking and new business opportunities that came from being a part of the sector partnerships.

And two-thirds of the sector partnerships across Colorado report improved internal operation practices or policies. Our partnerships are also having an impact on job seekers and students. So we have eight new education or training programs that have emerged across the state and many more education programs that are reporting improvements.

We also have seen tremendous alignment of supply services with businesses' needs. So that is just a snippet of the Colorado sector partnerships story. You can find a lot of information about the work in Colorado and also tools that we provide that we have gathered from local areas across Colorado and that compile best practices and such on sectorsummit.com. So visit sectorsummit.com to learn more about the work in Colorado.

And with that, I'll turn it over to New Jersey.

AARON FICHTNER: All right. Thank you.

MR. BARTLETT: Aaron, Take it away.

MR. FICHTNER: All right, Mike. Thank you and thanks, Emily for the great presentation on Colorado. It's always wonderful to have an opportunity to share what we're doing in New Jersey, but more importantly from our perspective, to learn from the good work in Colorado and around the country. So I look forward to the breakout session.

So we have been working hard in New Jersey over the last four to five years to develop a strong talent development strategy around sector partnerships. So our department has been working closely with the department of education.

Our office of the secretary of higher education, our state employment and training commission and in partnership with our state's largest business and industry association. And all of this work has really been made possible by a strong collaboration with the National Governors Association. So thank you, Mike and Martin for all the work that you've done to help us get to this point.

We knew it was very critically important as we work together across those four key partner agencies, that we had a strong shared vision. And so our agencies have decided that our shared vision is to work together to increase the number of residents in New Jersey who have an industry-valued credential or degree and we're going to do that through high quality partnerships and integrated investments.

So while that's a simple goal, it was a major step forward to have those four agencies come together and agree that we would work together towards that outcome. We've also developed common definitions for what we mean by a high quality partnership, employer-driven, driven by metrics with a sustainable funding stream.

We have a detailed developed, high quality partnership definition that all of our agencies are using to judge how we're doing towards meeting our goals and also we're embedding those definitions within our notices of grant opportunities and other competitive funding opportunities.

We also have a common definition for career pathways, which is also an important foundational step forward for New Jersey so that we talk about career pathways through education and workforce development in a common way.

And then the third key component of our shared vision was really to decide, based on labor market analysis, that we had seven key industries that really drive our New Jersey economy and those range from life sciences, technology and transportation to healthcare, retail, hospitality and tourism. And so it's a wide variety of industries that are important for economic development, but also important for job creation and career pathways. So the shared vision has been critically important to get us all on the same page working together across state agencies.

So in terms of shared strategy, we knew that it was very important for us to make some investments in entities that could help us facilitate the creation of more partnership. So four years ago we launched our talent network initiative and provided competitive grants to higher educational institutions and industry association to serve as a talent network lead for each of our seven key industry sectors.

So those talent networks have been working over the last four years to build stronger partnerships between employers, educational institutions, workforce development partners and community and faith-based organizations and also to connect employers and job seekers through a variety of networking type events. This year, we are focusing our talent networks much more on partnership development. And so the talent networks this year are doing two important things.

First and foremost, they're developing industry intelligence to inform workforce investments and I'll talk about that in a moment and they're also working to develop high quality employer-driven partnerships by facilitating a development of what we're calling targeted industry partnerships in three regions of the state. So we're working to create what in essence is 21 different targeted industry partnerships across the state.

Talent networks are facilitating those efforts. They're driven first by an understanding through employer engagement of the needs of employers in their industry in those regions and then through facilitation and collaboration discussion between higher education, education and workforce. All of those will result in a plan for how we're going to create these industry partnerships in these 21 regions of the state.

We have committed $5 million from a variety of different funding sources to fund the most promising partnerships that come out of that planning process in all 21 of those targeted industry partnership efforts. Closely connected to this effort, we've invested $2.9 million of state funds to establish three talent development centers at colleges and universities across the state.

They are serving centers of excellence in three key industries, healthcare, transportation logistics and distribution and advanced manufacturing and they're going to be providing dislocated worker and incumbent worker training and it will be serving as anchor institutions for our targeted industry partnerships that are being created by the talent networks. So those investments are critically important to begin the conversation with employers through employer-driven training programs.

So labor market information tools is always really an incredibly important part of the puzzle for us. And so we have refocused our labor market analysts in our LMI unit around the seven key industries. So we have an individual who was an industry expert who focuses on the data on each of those seven different industries. So we have someone to turn to who really understands the industries who are working very closely with our talent networks.

So through this effort, we're making sure that labor market information and our analysts are helping to support the development of targeted industry partnerships. The talent networks are collaborating with our industry analysts to produce an annual industry workforce report to inform stakeholders across the system. They'll be convening in annual industry summit to bring together educational institutions, employers, community and faith-based organizations and workforce partners to really advance the discussion around partnerships and industry needs.

And we're also working to develop an industry-valued credential list that is going to guide our investments and provide key career information. Our credential review board is actually meeting as we speak to make final decisions about the credentials that will be on that list going forward and that list takes effect on July 1st and we're committed to investing an increasing percentage of our occupational training dollars on programs that lead to a credential that we believe is valued by industry.

As to training and capacity building, we knew that was also critically important. We're talking about a major shift from engaging employers in a transactional manner to engaging employers in a long term partnership effort. And so we are launching a partnership development academy where we'll be training our talent networks or local workforce boards, community college partners, our business service staff and other stakeholders on how to really facilitate long and sustaining employer-driven partnerships.

So we know that's a major change and something that we are investing resources to make happen. When it comes to employer outreach, also critically important, our talent networks have done a tremendous job over the last four years to develop strong partnerships with our industry associations in each of their seven key industries and with key employers. And so we have a very good foundation of employer engagement and industry association partnerships to build on.

We're committing that all of our future employer outreach efforts across all of our programs and departments will really be focused this year on supporting the development of the 21 targeted industry partnerships that I talked about earlier. So our state business service representatives are partners in career and technical education, our state incumbent worker grants and worker training grants, our talent development centers and other efforts will all be aligned to make sure that we're bringing employers to the table around the development of these 21 targeted industry partnerships.

As it comes to policy and performance, we have committed to focus our investments on industry-valued credentials and degrees. It's a major component of our WIOA state plan and we believe that will support the development of the targeted partnerships and employer-driven high quality partnerships.

We've also added a number of important metrics for local workforce development boards in the WIOA program, including holding local workforce boards accountable for the number of high quality employer-driven partnerships that they participate in and also a metric that will judge the extent to which our local workforce boards are committed to regional collaboration and involved in partnership development on a regional basis as well.

And then the last piece that reinforces these efforts around policy and performance is our continued efforts to strengthen our eligible training provider list and our consumer report card to reinforce this focus on credential attainment and partnership development.

So that's a very brief overview of a variety of things that we've been doing in New Jersey to help advance sector strategies, build a skilled workforce to drive economic growth and to insure economic opportunity for all of our residents. I look forward to the breakout session.

MR. KEATING: Good. Thanks so much, Aaron.

MR. BARTLETT: Thanks, Aaron.

MR. KEATING: All right. So what we're going to do now is we're actually going to go to the breakout session. So a couple things, first of all, we want to show you the questions we're going to be asking you.

So we'd like to know what are the most important components of success, particularly when beginning this work? How do you define, measure and communicate success, both at the state level, but also for local and regional partnerships? And what key challenges have you encountered in setting up and sustaining sector partnerships and what are some of the innovative ways you address them?

We're going to be in the breakouts for probably about 20 minutes and what we're going to do is if you're assigned to breakout room number one, you're going to be with Mike Bartlett, policy analyst with the National Governors Association and if you're in breakout room two, you're going to be with Martin Simon, director for economic human services and workforce division of the National Governors Association.

In a moment, we're actually going to start the breakouts and when we do, you're probably familiar, you're going to be on an unmuted phone line. So please take a moment now to find your mute button, mute yourself as needed and then if you'd like to participate verbally, we highly encourage you to chime in verbally.

So feel free to jump right in. You'll see some instructions on your screen as well and we encourage you to type into the chat and/or highly encourage you to jump right in over the phone. So we're going to go ahead and go right now to the breakouts and we're going to do that now. So we're going to start on our end. Benita, if you could start it on the teleconference, that would be great. And we'll see everybody in about 20 minutes or so.

OPERATOR: Please hold for the breakout session.

(breakout session)

MR. KEATING: All right. And I think we're back in the main conference; is that right, Benita?

OPERATOR: We're waiting for your next group. They're in the middle of a discussion.

MR. BARTLETT: And I just want to break in, we're actually coming back from the breakout.

OPERATOR: You're back in the main conference.

MR. BARTLETT: Thank you.

MR. KEATING: All right. Thanks, everybody. Well, welcome back. You are back in the main audio conference. So welcome back, everybody. It sounds like you guys are having a vibrant conversation there. So that's great. We do want to go ahead and give ourselves a few minutes here at the end to just kind of review what got discussed in each of the breakout rooms. So I want to go ahead and turn it back over to Mike to review what we did in breakout room one. Mike.

MR. BARTLETT: Thanks so much, Brian. We had a pretty robust discussion. I think a couple of the things that came out, Aaron was able to give a little more context on what they're specifically doing with some of their upcoming sector-based summits and kind of their sector leadership activities. One of the things we talked about was the difficulty, but also the importance of figuring out how to bring those alignments across partners.

So bringing together education, workforce, economic development, community organizations, business, all those people around the table and figuring out how to leverage resources in a collective way to support programs and to make sure that we're being a successful system and thinking of ourselves in much broader terms than just a collection of programs. I guess we can talk to Martin now. You want to talk about breakout room two?

MR. KEATING: Sure. Thanks, Mike. We're going to go ahead and bring up your notes, Martin.

MR. SIMON: Okay. Thank you.

MR. KEATING: So go ahead and jump right in and share with us what – give us a high level overview of what we discussed in breakout room two.

MR. SIMON: One of the things that was emphasized earlier was that at the state level, but I think this also applies at the local level, the importance of aligning workforce and education with economic development and then having the strong support of the leadership at the state level, that's the governor, at the local level, I think that crosses over with both those leaders in the public sector as well as the private sector.

Another important point that was made was stressing the importance of partnerships. Mike, you talked about the range of partnerships, but the point was made that you have to look at the positive aspects that draw the partners in. Well, you can't ignore that there are challenges to face, but kind of championing the wins and the positive outcomes that are being achieved. And then a question came up sustaining partnerships, particularly, how do you continue to engage the employers?

And the clear message there was that you have to start with the needs of the employers within a particular industry and that may not always be – their starting point may not be workforce issues, there may be other issues but being able to engage them around the issues that are important and that they will eventually get to the workforce issues. And you have to continue to come back to the needs of business and that was seen as a way to continue to sustain the partnerships with business.

And another interesting challenge was when industry crosses state lines, there can be competition for the workers. And so how do you work out those arrangements so that you may have to build cross state line sector partnerships and there can be competition for the workers.

And so being able to work out those cross-state challenges so your focus is on the needs of the business and then also on the needs of the workers. Those are some of, I think the key points that I took from the discussion. Maybe others that participated or listened to the conversation that may want to add to this.

MR. KEATING: All right. Thanks so much, Martin. Well, we have just a few minutes here at the end. I know there was some contact information. I think, Mike, I'll turn it back to you to kind of close us out and review that contact information. We brought the slides back up for you.

MR. BARTLETT: Fantastic. So let's see here – which slide is that? Yeah. So your speaker contact information – I guess I'll just close up, appreciate you guys joining us this afternoon. We had some really good discussions. If you are interested for more, there will be a "State Role 201" session coming up at 4:00 o'clock. So we'll be featuring some different states during that time and Martin will be taking a lead facilitating that. So that will be a good session as well.

One thing that people can be looking out for, NGA in collaboration with Maher & Maher and the department of labor is currently working on a series of documents that kind of explore this issue of sector strategies and there will be one specifically on kind of the state's role that'll have an accompanying kind of state self-assessment tool.

So this may be something that will definitely encourage states to look at that'll hopefully be helpful to you guys and very relevant to what you're doing that aligns with a lot of the issues and feedback we've been hearing today and over the course of this entire week. So I'll just put that on everyone's radar and I'll turn it back to see if Brian has any closing logistical things that he wanted to share with folks.

MR. KEATING: All right. Thanks so much, Mike. We are going to go ahead and leave it there, but before we go, we want to get your feedback on how you feel it went today and you can also let us know any thoughts you have in general about how the virtual institute has been going.

So we're going to go ahead and bring up that feedback now. Feel free to answer a couple of polling questions and also give us your open-ended thoughts. Hope you can join us for other sessions that we're doing today and tomorrow to finish up the institute and definitely hope you can join us for the closing plenary tomorrow afternoon.

We're going to go ahead and leave it there, but thanks, everyone for participating today and hope to see you in other sessions in the institute. Have a great day, everybody.

OPERATOR: And this concludes this workshop. You may now disconnect. Presenters, please hold the line.

(END)