

EMPLOYERS TAKE THE LEAD

A Report on Wisconsin's Industry Partnership Project

JUNE 2013

COWS | BUILDING
THE HIGH ROAD

- 01** WISCONSIN INDUSTRY PARTNERSHIPS—OVERVIEW
- 02** INTRODUCTION
 - What are Industry Partnerships? • 3
- 05** A NATIONAL MOVEMENT & MODELS IN WISCONSIN
- 07** WISCONSIN INDUSTRY PARTNERSHIPS—MAJOR INITIATIVES
 - Overview of Scale & Investments • 7
 - Convening Grants—Results • 8
 - Training Grants—Results • 11
- 12** WISCONSIN INDUSTRY PARTNERSHIPS—DEVELOPING KNOWLEDGE IN THE FIELD OF PRACTICE
 - State Policy Change • 13
- 14** WISCONSIN INDUSTRY PARTNERSHIPS—PRINCIPLES & EXPERIENCE FOR MOVING FORWARD
 - Successful Industry Partnerships • 15
 - Key Observations from the Wisconsin IP Initiative • 16
- 20** APPENDICES
 - NGA Sector Strategies Initiative: Leadership & Staff Participation Over the Initiative • 20
 - Guidelines for Internal Program & Policy Review to Support Sector Strategies • 21
 - Sector Strategies & WIA Planning • 22

EMPLOYERS TAKE THE LEAD

ACKNOWLEDGEMENTS

This report draws on the work of many leaders throughout the state of Wisconsin and the nation on building industry partnerships and career pathways so that low-wage workers can move ahead. At COWS, Laura Dresser has led our work on Industry Partnerships with the state, but throughout the project she has relied heavily on the support and insight of colleagues Michele Mackey, Sarah White, Sigrid Peterson, Adrienne Pagac and others at COWS. COWS Director, Joel Rogers has long been a proponent of and leader on workforce development at the national and state level. The project incorporated many of his ideas and gained from his involvement as well. Further, Anne Rodgers-Rhyme was the state's lead on this work and this report draws on and represents her commitment to the project as well. We received good feedback from friends and colleagues near and far on earlier versions of this draft. The mistakes are our own, but our thanks to those who reviewed and improved the draft, including Sharon Berge, Kathy Heady, Pamela O'Brien, Jane Pawasarat, Jennifer Riggerbach, Brandon Roberts, and Julie Strawn.

Also, the Joyce Foundation's support of the Wisconsin Sector Strategies/Industry Partnerships and Career Pathways is gratefully acknowledged. COWS is grateful to the Working Poor Families Project which provided both financial and intellectual resources to support the development of this paper.

ABOUT COWS

Based at the University of Wisconsin-Madison, COWS is a national think-and-do tank that promotes "high road" solutions to social problems. These treat shared growth and opportunity, environmental sustainability, and resilient democratic institutions as necessary and achievable complements in human development. COWS is nonpartisan but values-based. We seek a world of equal opportunity and security for all. For more information: www.cows.org. For more information on this report or Wisconsin's Industry Partnership project contact Laura Dresser (ldresser@cows.org).

Center on Wisconsin Strategy
University of Wisconsin-Madison
1180 Observatory Drive
Madison, WI 53706
608-263-3889
www.cows.org

WISCONSIN INDUSTRY PARTNERSHIPS—OVERVIEW

Wisconsin embarked on a project to implement sector strategies across the state. This effort—eventually named Wisconsin Industry Partnerships (IP)—was designed to reform, modernize, and streamline the connections between training and skill systems, workers who need skills, and employers who need qualified workers. By pursuing sector strategies, Wisconsin joined the ranks of 25 states pursuing employer- and industry-led initiatives in order to improve workforce training and economic development systems at the state level. The work continues today, with continuing investment from the Wisconsin Department of Workforce Development (DWD) and ongoing partnerships throughout the state.

This is the summary report on the Wisconsin IP initiative (2008–2012) which invested more than \$6 million, in concert with the needs of dozens of participating employers, in the project of building skills of some 6,000 workers all across the state. The initiative began with a team of leaders from the public and private sectors attending the Sector Skills Academy conducted by the National Governors Association. Leveraging this knowledge, the state, led by DWD, engaged a diverse stakeholder group from across Wisconsin, including the Department of Commerce (since reorganized as the Wisconsin Economic Development Corporation), the Wisconsin Technical College System (WTCS), Department of Public Instruction (DPI), University of Wisconsin System, private sector employers, key philanthropic organizations, and workforce and economic development entities from 2008–12. In addition to designing and directing grants for convening partnerships and using those partnerships to develop and deploy training, IP activities included state policy development encouraging and aligning strategies for employer engagement across multiple state agencies, professional development for field staff through academies and other opportunities for learning, and the establishment of a community of practice in the state for sharing practice and progress on IP work.

Throughout Wisconsin, in the course of this project, industry and workforce leaders learned more about a new way of working together. Those insights and relationships and even many partnerships still continue, even though the training-funding phase of the project is over. The IP experience and these relationships are essential infrastructure for the state as Wisconsin takes a new look at and begins to invest in innovative strategies for building human capital, skills, and talent in the state. Employer leadership on training needs, organized by industry within regions, is perhaps the most essential building block for the stronger system. Increasing the responsiveness and accessibility of our training systems is also critical. Wisconsin Industry Partnerships provides important lessons and strategies on the best means of embracing and promoting business relevance, responsiveness, flexibility, and accessibility from our public training and skill development system.

It is obvious that these issues of skills and talent are becoming more pressing. Recent legislative and budgetary initiatives emphasize employer leadership and system responsiveness and flexibility. These are the very issues on which Wisconsin Industry Partnerships also focused. The lessons learned through the Wisconsin IP initiative and the regional infrastructure arising from the initiative can, should, and we hope, will provide some foundation for future innovations in workforce training in the state.

Summary

This report summarizes the accomplishments of and lessons learned from the Wisconsin Industry Partnerships initiative (2008–2012), a project directing state investment of more than six million dollars in concert with dozens of participating employers in order to increase the skills of over 6000 workers in the state. Wisconsin's IP experience is especially relevant today as leaders turn their attention to building the skills of the state's workforce.

COWS
BUILDING THE
HIGH ROAD

Thus, IP can help support the emerging consensus in the state that puts workers, their skills, and industry need for skills at the very center of Wisconsin's competitiveness agenda. Connecting the unemployed to work, and connecting the underemployed to the skills business needs so that workers can support their families is critical to a prosperous, thriving, 21st-century economy—and one of the great and frustrating challenges of this decade. By building on the state's nationally acclaimed efforts to forge a more functional labor market through pathways and partnerships—through the IP project and also through the state's career pathway initiative—Wisconsin can more squarely meet the economic challenges on the road ahead.

1. INTRODUCTION

Private and public sector leaders across Wisconsin have a long history of working in partnership to deliver the skills employers need. This work is modernized and amplified by the Wisconsin Industry Partnership (IP) initiative with investments of more than \$6 million to build a more responsive training system for the state. Investing in strong employer engagement at the regional level in emerging and driver industries is the heart of the state's IP strategy. Through 60 IP convening and training projects funded

across Wisconsin from 2008-2012, employers guided, and helped facilitate, system reform. Looking toward coming investment in and continued reform of our workforce system, the lessons learned through the IP initiative can help define a path to qualified workers and quality jobs for the state.

Enhancing the skills of the state's workforce, in ways that are relevant to tomorrow's economy, is essential to fuel Wisconsin's economic growth.

As part of the Wisconsin IP initiative, business, labor, public, philanthropic and academic leaders inventory problems and gaps in the state training system and advance a new way of doing business to overcome these gaps. Industry Partnerships, led by the private sector in critical industries, were developed in every region of the state.

Given their direct experience collaborating on workforce and skill issues, those who have built these partnerships know—perhaps better than many in the state—that enhancing the skills of the state's workforce, in ways that are relevant to tomorrow's economy, is essential to fuel Wisconsin's economic growth. And, increasing the employer role in the workforce system is essential to making the system more effective and relevant. Further attention to workforce systems is welcome, and Be Bold 2, the Sullivan Report on workforce, and the Governor's initiatives make it clear that the time for innovation and improvement of this system is now.

This report is intended to support interest and innovation by documenting key successes and lessons learned in the process of undertaking the state's work in sector strategies. We hope that Wisconsin's IP experience described here will inform and contribute to the efficacy of new initiatives to improve training and skill development.

What Are Industry Partnerships?

Industry Partnerships in Wisconsin bring together private sector leaders in key industries to identify skill needs at a regional level. Staff representing relevant public resources—from technical colleges, to high schools, to workforce boards—work together to respond to those needs and develop training and skill programs directly relevant to the industry and its workforce. Wisconsin invested in more than 30 Industry Partnerships across the state, serving employer needs in ways that build workers' skills. To date, the project has engaged dozens of employers and trained thousands of workers.

Fundamentally, this work puts employers and their workers at the center of skill and workforce systems. Too often in the past, employers felt excluded from the regional workforce and skill conversation, confused by—or unaware of—the multiple resources available, or advised to do things that didn't make sense for their businesses. In Industry Partnerships, employers identify shared challenges of the industry and work with leaders from the state's education and training systems to build solutions to those problems. The public sector supports this work, but employers lead it. That's a reform strategy that works for the state—focusing on effective use of existing resources and leveraging small investments to make broad, private sector innovation possible.

Industry Partnerships are formed at the regional level to ensure that employers in key industry sectors can connect to employees with the skills they need to grow. The skills they needed can be developed in job seekers and workers already at the firm as they receive the training they need to secure and/or retain family supporting jobs. Industry Partnerships match industry leadership with support from multiple partners: industry and trade associations, organized labor, workforce development organizations, educational institutions, training providers, economic development groups, community-based organizations, local government agencies, and philanthropic foundations. The result of this linkage is stronger skills for workers that are developed in ways that employers need.

Career Pathways are an essential ingredient of this work. Career Pathways help build a stronger bridge from work to training and back into higher skilled work, with the attainment of industry-recognized credentials and credits toward technical and college degrees. Career pathways are the route to skills employers need in the workforce. From the inception of both projects, leaders sought to build stronger connection and understanding of the mutual benefit of developing partnerships and pathways throughout the state.

Taken together, Wisconsin Industry Partnerships and Career Pathways:

- Strengthen Wisconsin's regional economies and key employers: identify key sectors, facilitate meaningful employer engagement in the workforce development system, align education and training programs with employer needs, create strategies that help businesses prosper in Wisconsin;

WISCONSIN INDUSTRY PARTNERSHIPS MODEL



- Increase workers' skills: promote education and training programs for workers at all stages in their careers, ensure the workforce is appropriately skilled to help sectors grow and prosper; and
- Improve public accountability: enhance the effectiveness of Wisconsin's economic and workforce development system, focus diverse organizations on common goals, and align resources across programs.

Industry Partnerships build a more responsive education and training system for employers; Career Pathways leverage training so that the workers can attain the skills sought by employers.

Leaders in the Wisconsin IP initiative assessed the state's strengths and capacities in skill and talent development. In response to this review, and national support for innovation, IP leaders began to focus and build a sector-based program on the foundation provided by key resources in the state:

First, **IP focuses on employers and innovates to serve them better.** The economic downturn temporarily eclipsed the concern about labor and skill shortages in the state, but the writing is on the wall: too many of the state's most skilled employees are approaching retirement age and the pipeline for skilled workers isn't sufficient to fill the gap. Wisconsin needs workers to be skilled but also adaptable, and in times of high demand Wisconsin business needs a readily available workforce to compete and grow. Employers hold critical information about the type of skills needed for the jobs of the future. Industry Partnerships provide the infrastructure for employers to advise and influence the development of a skilled workforce.

Second, Industry Partnerships work hard to **align existing resources rather than just develop new ones.** Federal and state resources provide multiple and often confusing potential sources of support for employers. If those resources can be aligned behind the effort to support employer needs, the outcomes for the workforce system and the outcome for firms improve. Employers and practitioners frequently maintain that the state's strategic investment of resources in Industry Partnerships pays off far beyond the investment. Further, by working for multiple employers at once, the strategy invests in general and transferable skills within an industry.

Third, this strategy develops the state's critical human resources, focusing especially on the **700,000 workers in the state who we know need skills to move ahead in the labor market.** (That's the number of Wisconsin workers with no degree beyond high school earning low wages.) With baby boomer retirements increasing and the number of new workers failing to fill the hole, we need to find ways to build productivity and skills for workers already in the workforce who need more skills to advance to self-sufficiency. With focused training, these employees can move ahead in ways that will answer employer needs. And that means the state's economy can move forward faster. That's why the Wisconsin IP initiative embraces the powerful model of career pathways to help workers move up through meaningful credentials.

2. A NATIONAL MOVEMENT & MODELS IN WISCONSIN

The state's IP initiative drew on national work in sector strategies and on key models of success in Wisconsin.

The National Governors Association (NGA) promoted the adoption of these strategies:

Sector strategies build partnerships between employers, training providers, community organizations, and other key stakeholders around specific industries to address the workforce needs of employers and the training, employment, and career advancement needs of workers. Governors in many states are making sector strategies a central element of their state workforce and economic development policies.

In response to the sector strategies trend underway in many states, the NGA Center partnered with the National Network of Sector Partners and the Corporation for a Skilled Workforce to launch Accelerating State Adoption of Sector Strategies. The NGA Center is working with 25 states to help create, grow, and mature state sector strategies across the country.

(From <http://www.nga.org/cms/home/nga-center-for-best-practices/center-issues/page-ehsw-issues/col2-content/main-content-list/state-sector-strategies.html>)

Wisconsin received support from NGA in the State Sector Academy, developing a team of leaders from the state, and working with national experts on sector strategies over the course of the project. Through this work, Wisconsin joined half of the states in the nation that have begun to modernize and improve their skills and training systems by engaging employers in new ways.

This national movement is founded on the experience of early innovators throughout the nation. Sector projects began to emerge in the 1990s, with Wisconsin's own **Wisconsin Regional Training Partnership (WRTP)**, founded nearly 20 years ago, an early and now long-standing example.

The WRTP is an association of employers and unions that seeks to retain, support, and attract high-wage jobs in Milwaukee and create career opportunities for low-income and unemployed community residents. In its work to build solutions to industry problems, WRTP helps support and develop training for incumbent workers, programs to modernize production processes, and designs recruitment,

STATE SECTOR STRATEGIES COMING OF AGE (2013)

STRONGLY ARGUES FOR INCREASING STATE INVESTMENT IN THESE STRATEGIES:

Sector strategies are among the few workforce interventions that statistical evidence shows to improve employment opportunities for workers and to increase their wages once on the job. Employers report increases in productivity, reductions in customer complaints, and declines in staff turnover, all of which reduce costs and improve the competitiveness of their companies. This is likely why an estimated 1,000 sector partnerships are operating across the country.

Sector strategies are partnerships of employers within one industry that bring government, education, training, economic development, labor, and community organizations together to focus on the workforce needs of an industry within a regional labor market. At the state level, they are policies and investments that support the development of local sector partnerships. They are welcomed by governors, who are increasingly focused on the needs of critical industries and workers. Amid the challenges of the slowly recovering national economy, sector strategies can do the following:

- ***Address current and emerging skill gaps.*** Sector strategies offer a mechanism to focus scarce resources on industries that are major job providers in an area, as well as to focus comprehensively on the workforce skills, from entry-level to advanced, required in a regional economy.
- ***Provide a means to engage directly with industry across traditional boundaries.*** Businesses operate in economic regions that may cross city, county, and state lines and education and economic development areas. Sector strategies work across the boundaries to identify and address specific workforce needs in almost every industry.
- ***Better align state programs and resources serving employers and workers.*** Intense demand for balancing budgets at the state level threaten initiatives in education, training, economic development, and other essential state services. Sector strategies help to reduce inefficiencies and streamline state efforts by coordinating various programs and braiding disparate funding streams intended for the same purpose.

(From http://www.nationalskillscoalition.org/assets/reports-/state_sector_strategies_coming_of_age.pdf)

assessment, and training processes to connect new workers to industry. WRTP's training programs (generally lasting between two and eight weeks) respond directly to specific employers' requests or clearly identified labor market needs. Its short-term pre-employment training and placement work in the construction, manufacturing, and healthcare sectors were included in a rigorous national evaluation study of sector work.

The national study found strong positive effects from sector training programs like the WRTP. Findings specifically related to the WRTP include:

The effects at WRTP reflect its overall strategy of providing short-term, job-specific training and then helping guide disadvantaged workers into higher quality jobs than they might have been able to access without its assistance.

*Overall, program participants **earned significantly more**, even though they found employment at rates similar to their control counterparts. They were **significantly more likely to work in higher-wage jobs, to secure union jobs and to work in jobs that offered benefits**. They were also more likely to obtain certifications in both the healthcare and construction tracks.*

WRTP's strategy also had different effects on earnings for different types of workers: Both African American and women participants earned significantly more than their counterpart controls, largely as a result of higher wages. Formerly incarcerated program participants also saw earnings gains, which were attributed to working more hours than controls as well as earning higher wages.

(From P/PV review of WRTP results in the national evaluation of sector partnerships. Study available here:
http://www.nationalskillscoalition.org/federal-policies/sector-partnerships/sectors-documents/ppv_sectorbrief_2009-05.pdf)

Wisconsin is also home to two sites using sector and partnership models that are part of the National Fund for Workforce Solutions. In Wisconsin Rapids and Milwaukee, workforce trainers, employers, philanthropic organizations, and public leaders are forging new partnerships and solutions to meet the skill needs of both employers and workers in their regions.

Incourage Community Foundation in South Wood County (Wisconsin Rapids and surrounding areas) introduced an important rural model to the Wisconsin IP strategy. Through the Workforce Central initiative, Incourage has helped develop an impressive program that includes a Manufacturing Partnership and the development of a Funders Collaborative to encourage and accelerate the program in the region. The initiative's Manufacturing Partnership targets workers with some baseline skills and experience, but who need upgrades for future employability on a career pathway. An 11-member CEO Peer Council advises the partnership and ensures that worker training aligns with the skill needs of the region's manufacturing employers.

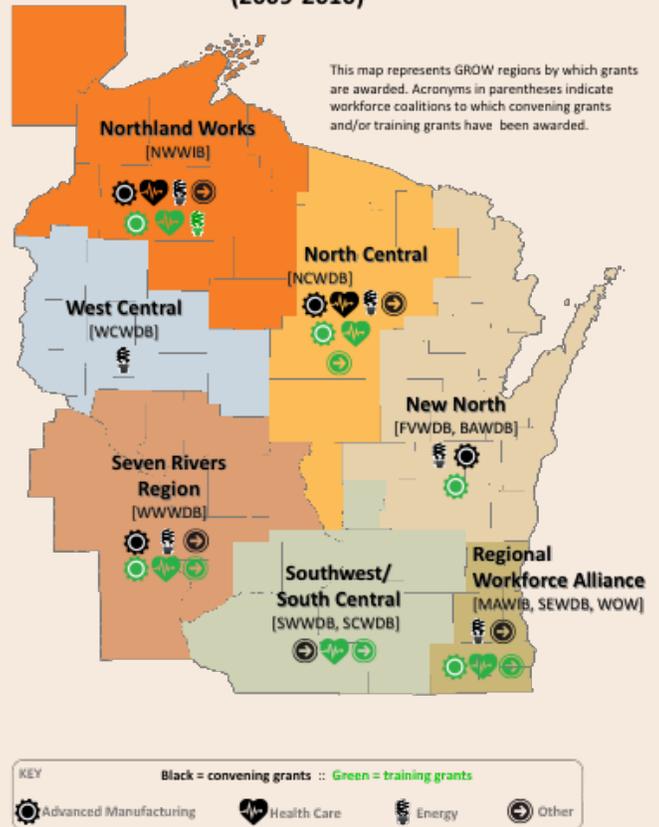
3. WISCONSIN INDUSTRY PARTNERSHIPS— MAJOR INITIATIVES

Overview of scale and investments

Over the most intense years of state investment (2008–12), more than 30 Industry Partnerships in Wisconsin were developed. The funding pool to support IP grants was the governor's discretionary WIA dollars. (These discretionary dollars, used across the nation for strategic investments in IP work and other initiatives, were reallocated in the federal budget, leaving many states struggling to continue investments in system innovation.) State funding, won through a competitive proposal process, supported the hiring of conveners who were charged with building or strengthening a specific industry partnership, and paid for training developed by those partnerships to improve the skills of workers in ways that directly responded to IP identified needs.

In general, IP conveners develop knowledge of an industry, use that knowledge and a growing web of relationships with industry leaders to build a network of firms and unions in that industry, and the convenue then engages these industry leaders in meetings, brainstorming sessions, and dialogue in order to identify the industry's common training or skill needs. The conveners then work with community partners and resources (community-based organizations, local workforce boards, technical colleges, and other training organizations) to build skill and training solutions for identified industry problems. Relying on private sector business knowledge and relationships with industry leaders, a convenue facilitates discussion by industry leaders. In the model situation, business leaders themselves engage in the identification of shared problems in an industry, set the agenda for discussion, and design solutions to regional workforce issues. This is the most essential element of the model—the needs of the industry under focus serve as the foundation of IPs. Conveners help employers identify and articulate their needs, and then work with all possible public and community partners to build innovative solutions to those identified needs. The state can then direct training resources to those identified needs as it did during the period of intense investment in Wisconsin's IPs.

Industry Partnership Grants by GROW Region (2009-2010)



Wisconsin Industry Partnership Project 2008–2012

Industry Sectors: healthcare, bio-fuel, bio-technology, power controls, advanced manufacturing, agri-business, water, wind, construction and building, bio-composites, and food and agricultural products.

Participating Employers (examples): Aspirus, Aurora Health Care, Badger Meter, Flambeau River Papers, Franciscan Skemp, GE HealthCare, Gunderson Lutheran, Harley-Davidson Motor Co., Kickapoo Cheese, Kwik Trip, Mariani Cranberry, McCain Foods, Ocean Spray, Organic Valley, Super Steel, Weather Shield, Wheaton Franciscan Healthcare, WI Public Service Corp., and Xcel Energy.

Convening grants: 25 awarded.

Training grants: 35 awarded, providing skills training to more than 6,200 workers.

From 2008-12, the state disbursed more than \$6.5 million of its IP investment through a request-for-proposal (RFP) process to Wisconsin Workforce Development Boards (WDBs) in two categories: convening grants to form an Industry Partnership; and training grants. (See “Governor’s Jobs for the Future Initiative: Wisconsin Sector Strategies Initiative—Request for Plans and Project Guidelines 2009” at: http://dwd.wisconsin.gov/industry_partnerships/ga_industry_partnerships.htm).

Grants were awarded to Workforce Development Boards in regions throughout the state. The state team knew that convening the IPs—the work of bringing together private sector leaders from identified industries in specific regions—was essential to success. And here, “success” implies both a strong IP initiative, but also the achievement of the broader goals of improving training for workers and firms, and of improving the Wisconsin economy. Beyond simply bringing businesses together, these Industry Partnerships convene to identify shared skill gaps and identify training needs in the industry. The bulk of the state’s IP investments were deployed to support the development of training programs responsive to business needs as identified by the partnerships.

Both convening grants and training grants were awarded by DWD on a competitive basis. Workforce Development Boards were required to apply for the grants by responding to an RFP that was designed and approved by the state’s IP leadership team. A board’s case for convening and training hinged upon evidence of industry knowledge through both quantitative and qualitative analysis, as well as evidence of employer interest and investment in working on skill solutions. In total, the RFP process awarded 25 convening grants and 35 training grants, resulting in over 6,200 workers trained across the state.

Convening Grants—Results

Industry partnerships need intermediaries able to commit resources to the work of convening and coordinating employers, training providers and service agencies. The Wisconsin IP initiative identified several regions

WISCONSIN INDUSTRY PARTNERSHIP CONVENING GRANTS 2009-2011

REGION	SECTOR	GRANT AMT
M7 REGION/REGIONAL WORKFORCE ALLIANCE		
Southeast	Greening	25,000.00
MAWIB	Water	25,000.00
MAWIB	Tourism	25,000.00
WOW	Power Controls	25,000.00
REG WF ALLIANCE	SAGE Energy	25,000.00
NORTHEAST/NEW NORTH		
Bay Area	Marine Mfg.	25,000.00
Fox Valley	Wind	25,000.00
New North	SAGE Energy	11,000.00
NORTH CENTRAL		
NCWDB	Advanced Mfg.	25,000.00
NCWDB	Green STEM	25,000.00
NCWDB	Healthcare	25,000.00
NCWDB	IT-2	25,000.00
NCWDB	Transportation	25,000.00
North Central	SAGE Energy	13,000.00
NORTHWEST/NORTHLAND WORKS		
NWCEP	Advanced Mfg.	25,000.00
NWCEP	Constr. & Bldg.	25,000.00
NWCEP	Energy/Biofuel	25,000.00
NWCEP	Healthcare	25,000.00
Northland Works	SAGE Energy	25,000.00
WEST CENTRAL/WR		
West Central/WR	SAGE Energy	25,000.00
WESTERN/SEVEN RIVERS		
Workforce Connections	Ag Bus/Food	15,793.00
Workforce Connections	Biocomposites	25,000.00
Workforce Connections	Energy	25,000.00
Seven Rivers	SAGE Energy	9,819.00
SOUTH CENTRAL/SOUTHWEST		
South Central	Agri-Business	25,000.00
TOTAL:		\$574,612.00

lacking the resources to start the conversation at an industrial level. Convening grants provide financial support to develop an intermediary infrastructure. The grants are limited in time (intended to last 6 months) and relatively small in terms of investment—limited to just \$25,000 per grant. This capacity-building investment supports the work of a convener, ideally someone with substantial industry knowledge and connections, who leverages or increases the state's investment in order to develop an IP with strong leadership from business. Convening grants also provide an opportunity for deep exploration of shared skill needs, training interests, and workforce challenges by private sector leaders within a regional industry. In some cases, this shared learning and trust building lead to full training proposals (discussed below).

Over the course of the first round of investments, the state awarded 25 convening grants statewide totaling nearly \$575,000. Convening grants went to each of the state's seven combined economic-workforce development regions established by the Governor's office in 2005. The grants targeted a broad range of sectors across the state—from energy to healthcare to manufacturing to IT. Especially notable, the convening grants often focused on energy sectors and green workforce development; indeed nearly half of the convening grants mention this area of work. This was due, in part, to ARRA interest and investment in green workforce development over the same period, and also, in larger part, to the state's SAGE grant supporting workforce development in the utilities and energy industries. These IP convening activities helped amplify and support ongoing innovation in training for utility and energy workers, engaging employers across the state on issues of training a skilled workforce in this industry.

The convening grants in green workforce development resulted in 13 regional discussions with nearly 200 employers and 10 unions about the nature of green jobs, the skills needed to fill them, and the currently limited demand for workers with green-specific skills. Employers confirmed the understanding of many workforce professionals: Green jobs are for the most part traditional jobs, requiring similar technical skills. With employers and training providers at the table together, the WDBs could facilitate the refinement of existing technical training to prepare workers for the jobs of the future, including their "green" components.

Though the grant program came to an end in 2011, in 2012, the Walker administration

This capacity-building investment supports the work of a convener, ideally someone with substantial industry knowledge and connections, who leverages or increases the state's investment in order to develop an IP with strong leadership from business.

revived this source of funding to promote regional industry partnerships that actively engage employers in the development of workforce solutions.

WISCONSIN INDUSTRY PARTNERSHIP TRAINING GRANTS, 2009-2012

GRANTEE/SECTOR	GRANT AWARD	TRAINED AS OF SEPTEMBER 2012		Training Hours
		Incumbent	Dislocated/Unemployed	
MAWIB Healthcare	\$400,365	112	51	580
MAWIB CareerLink	\$487,929	169	136	496
SE Healthcare - MAWIB	\$349,953	68	58	206
WOW Green Manufacturing	\$279,980	0	40	320
WOW Power Controls	\$250,507	72	21	576
Bay Area Marinette Marine Manufacturing	\$500,000	1,618	618	48,878
NCWDB Adv. Manufacturing 1	\$112,760	56	25	303
NCWDB Workforce Central Adv. Manufacturing	\$198,165	0	18	472
NCWDB Healthcare	\$62,250	26	0	128
NCWDB Transportation	\$206,671	245	10	334
NWWIB Adv. Manufacturing	\$386,728	301	60	3,230
NWWIB Energy/BioFuel	\$173,125	91	24	126
NWWIB Healthcare	\$290,363	467	36	936
Western Food & Ag	\$53,105	89	0	125
Western Healthcare	\$70,464	245	22	161
Western Healthcare 2	\$88,393	157	0	84
Western LEAN	\$44,139	84	0	48
SCWDB Healthcare	\$232,341	266	0	135
SCWDB Agribusiness	\$296,997	217	20	201
TOTALS	\$4,484,235	4,283	1,139	57,339

PARTNERSHIP SNAPSHOT

Manufacturing Sector Training—Waukesha-Ozaukee-Washington (WOW) Workforce Development Board

Workers in southeastern Wisconsin received training in advanced manufacturing power controls using a module format. The IP training grant funded instruction to over 90 unemployed and incumbent workers that, once completed, counts toward Waukesha County Technical College's Industrial Maintenance program. Ten employers, a WDB and technical college collaborated in the development of the program. Thanks to the grant, participants received skills in demand across various manufacturing settings and a pathway to formal credentials.

PARTNERSHIP SNAPSHOT

Bio-Energy Sector Training—Northwest Wisconsin Workforce Investment Board

In northern Wisconsin, the WDB worked with 15 employers in the bio-fuel, logging and paper production sector, including Flambeau River Papers. Through the grant, current and potential employees received training in technology. Chemical plant and system operators, chemists, and first-line supervisors are among the jobs that were supported through the 12-month grant project. With over \$490,000 in local matching resources, total funding for the training project will surpass \$900,000. This bio-energy sector training project helped grow Wisconsin's energy economy and helped workers get the skills they need to secure family-supporting jobs.

PARTNERSHIP SNAPSHOT

Healthcare Sector Training—North Central Wisconsin Workforce Development Board

Six employers in northern Wisconsin's healthcare industry worked with the WDB to provide a bridge curriculum tailored to the needs of their employees. The grant enabled participating employers to identify incumbent employees suitable for training, and to provide feedback on the elements of training that would be most helpful to their employees. Incumbent workers received instruction in soft skills, career exploration, critical care skills, medical terminology, and more than 50 hours of adult basic education (ABE). The training grant furnished 26 entry-level employees with the foundational skills required to move along a career pathway in healthcare.

Training Grants—Results

The IP initiative is designed so that employer need drives the development of training programs that make a difference for both workers and firms. From 2008 to 2012, Wisconsin invested nearly \$6.0 million for industry partnerships to develop and deliver employer-driven training to workers across the state. Partnerships receive grant funding for proposals demonstrating strong evidence of employer demand and commitment—e.g., employer participation in curriculum development, employer contribution of staff or facilities for training, employer commitment to hire from training pools or pay incumbent staff during training time. Only WDBs could apply for the funds, but throughout the state, the boards worked with technical colleges and other intermediaries to develop training programs funded through IP training grants.

During this time, a number of Emerging Industry Skill Partnership (EISP) grants were also awarded, overlapping with the IP grants. The EISP grants, awarded between 2008-2010, provided training funds to support and expand skill needs in targeted industries—advanced manufacturing, bio-technology, and bio-industry. The grants awarded over \$1.4 million across 16 grants to ten workforce regions. In total, 825 individuals were trained and nearly 200 employers participated.

In the IP category, Wisconsin awarded 35 training grants from 2008-12. These grants supported the training of over 6,200 Wisconsinites and more than 57,000 training hours. Many workers received training that set them on a path to further education, and incumbent workers and their firms improved their connection to regional training institutions, especially technical colleges. Many courses led to certifications including: Manufacturing Skills Standards Certification (MSSC), Food Manufacturing Science Certification (FMSC), and Supervisory Management among others.

The Bay Area Marinette Marine project stands out for a number of reasons. The project trained large numbers of workers, accounting for four in ten of all incumbent workers trained in the IP effort as a whole, and more than half (54 percent, in fact) of dislocated/unemployed workers overall. Equally notable, the number of hours of training those workers received averaged more than 22 hours per person. Because of the size of the project (in number of trainees) and the hours of training, this one project accounts for the lion's share of total training (nearly 49,000 of a total of some 57,000 hours of training). This was an important project that brought significant training to a large pool of existing and prospective workers for Marinette.

For the most part, IP training grants were supporting very short training. Both the Marinette project and the North Central Wisconsin WDB/Workforce Central project in advanced manufacturing stand as exceptions to the very short training times. These projects averaged more than 20 hours of training for each participant. At the other extreme, eleven of the 19 Industry Partnership projects averaged less than two hours of training for participants. We know many of these training programs were created to meet a

The success of an IP initiative clearly relies on state support as well as local practice.

need for critical, high priority skills for both industry and firms. But it is equally clear that training of less than two hours can do little to build meaningful skills and effectively fill the skill gaps identified by firms. And while the intensity of training is not the only measure of success, the broad range of experience across projects on this variable suggests that future investments in training should consider and prioritize programs that meaningfully increase worker skills, with an increase of the number of hours of training per worker being one measure that might help address this issue.

4. WISCONSIN INDUSTRY PARTNERSHIPS— DEVELOPING KNOWLEDGE IN THE FIELD OF PRACTICE

While Wisconsin's IP investment focused on training grants, the state also offers a number of supports especially in the form of technical assistance (TA) to funded projects and conveners. Over 2010-11, a total of 12 Wisconsin Industry Partnership technical assistance events occurred. These training sessions served to build knowledge in the field, to inform best practice in the state through presentations by national leaders, and to bolster a community of practice amongst IP stakeholders. Four Wisconsin Industry Partnership Academy Workshops provided IP grantee and non-grantee teams with technical assistance in the areas of strategy development in a difficult economic climate; facilitation of industry partnerships, career pathways, and bridges; employer engagement; and the evolution of evaluation in the IP field. These trainings engaged dozens of workforce leaders, building their capacity for IP work and helping develop a statewide community of practice and support infrastructure.

Capitalizing on that community, dozens of stakeholders also participated in three video conferences led by the Caucus of Conveners Learning Network on subjects ranging from goal setting and recent IP strategies to strengthening employer involvement to moving sector strategies forward in tough economic times. These video conferences facilitated the flow of information from the state to the field, and also helped practitioners in different regions communicate shared concerns with workforce leaders from other parts of the state.

The success of an IP initiative clearly relies on state support as well as local practice. Two industry partnership workshops helped to increase understanding and support for IPs at the state level. These sessions engaged state agency leaders and regional conveners in discussion of IP strategies, and helped state administrative leaders support the field of practice with policy change. Further, WRTP/BigSTEP-LETC sponsored and designed two conferences on the linkage between organized labor and workforce development, making the case that labor leaders should be interested in and connected to these projects at the local level.

In late 2011, the last TA training engaged top-level workforce system leaders in a planning session to develop strategies for strengthening and sustaining industry partnerships and career pathways during and beyond a change in the governor's office.

These events were well received, attracting a growing audience of IP practitioners, and generating strong reviews in event evaluations. By bringing national best practices together with state examples, the series helped build the sense that change was possible, necessary, and ongoing. The national examples motivated interest and developed increasing knowledge of the potential for the IP model. The breadth of local examples consistently showed practitioners that innovation in the state was not only possible, but achievable in partnership with multiple stakeholders including the private sector.

State Policy Change

The success of the projects supported by the Wisconsin IP initiative has already begun to change policy and practice in the state. Indeed, the state has made some significant changes to workforce policy as a result of its experience with the IP project. Evidence of that is clear in Wisconsin's overhaul of guidance to the WDBs on the writing, thinking, and coordination needed for boards to make a difference in this work. In revised instructions to the Boards on developing local Workforce Investment Act (WIA) Plans, the state requires the WDBs to evaluate and ascertain which industry sectors express high demand before they use WIA funding for education and training. Specifically, the boards must develop means to determine the variation in demand among industry sectors so that they effectively and responsively deploy training resources to cultivate the workforce skills needed by employers. WDBs must also identify any training programs that relate to high-demand jobs, and where workers can receive the training. In addition, the boards are directed to consider how they might continue to foster career pathways in their districts, and if such models are unavailable, to collaborate with WTCS to develop them. Finally, the guidance calls for the WDBs to identify and develop strategies for making clients competitive in the job market and able to advance along a career trajectory. (See Appendix 3 for a summary of the guidance provided to WDBs.)

In addition to influencing the WDB planning process, the Wisconsin IP initiative developed common language on sector strategies across state agencies. Through a process of interagency collaboration, the initiative documented common terms, definitions, and rationale for continued investment in industry partnerships. Most notably, these Guidelines for Internal Program and Policy Review specified that industry partnerships unite "workforce development organizations, educational institutions, training providers, industry and trade associations, organized labor, economic development, community-based organizations, local government agencies, and private foundations" with private sector industry leadership to address workforce needs and promote economic competitiveness. (See "NGA Sector Strategies Initiative: Guidelines for Internal Program and Policy Review" in the appendix.)

COWS on Career Pathways

For a review of the state's recent investments in workforce training in the context of career pathways, "Pathways to Competitiveness: Some Guidelines for Successful Workforce Investment in Wisconsin" at http://www.cows.org/_data/documents/1461.pdf.)

5. WISCONSIN INDUSTRY PARTNERSHIPS—PRINCIPLES & EXPERIENCE FOR MOVING FORWARD

With a long history of innovation and strong training, the state of Wisconsin is now beginning to look forward strategically. The question is not how to invent an entirely new system for training and skills in the state. Rather, with increasing concerns about skills for the future, Wisconsin must modernize the system it has by connecting that system in more meaningful ways to employer needs. And Wisconsin also must build that system to be more truly accessible to Wisconsin's existing workforce that needs skills. Wisconsin Industry Partnerships provide models, experience, and infrastructure that can be leveraged as we build for the future.

The interest of policy leaders in workforce skills, clear in the recent Fast Forward legislation with its \$15 million for training, is on the rise. Fortunately, knowledge and experience on innovative practice in workforce skills has grown substantially over the last five years as well.

We summarize here a description of strong IP practice, based on experience in the state as well as our own and others' insights on IP practice across the country. We believe that the elements of priority and practice summarized here align closely with the consensus priorities emerging from the business and education communities—in response to Sullivan's report and Be Bold 2 as well as in Fast Forward legislation—on key elements of system modernization.

Characteristics of Successful Industry Partnerships Provide a Good Summary of What Reform Could Do

Employer partnerships that guide workforce development build a foundation for skills and competitiveness. Experience in Wisconsin and other states provide principles of success in this work. Successful Industry Partnerships do the following, but any strategy to improve the relevance and accessibility of training in the future should likely do the following as well:

- Define regional industry partnerships based on labor-market analysis and engage research with multiple private sector firms in an industry. This foundational research defines key shared industry issues, identifies common skill needs in the industry, and verifies local private sector demand for those skills. There is both art and science to this work—hard data and a growing web of relationships are both required.
- Given the information gathered and relationships developed with industry leaders, look for ways to supply needed skills and answer industry skill problems via training and education. Often training will be targeted at incumbent workers, but whenever possible seek also to identify future workforce needs and increase economic opportunity for un- and under-employed workers by developing and promoting middle-skill jobs within the targeted industry sector.
- When developing training, invest in transferrable, industry-recognized skills—train for the industry, not just one firm. To do so, investments should aim at training and curriculum that connects to accredited education and training partners. This will develop training that can move workers along a career pathway toward credentialed technical skills. This requires close coordination between partnerships, their conveners, and the state's technical colleges. We know that for both workers and firms, the broad credentialed skills pay off in productivity and pay.
- The drivers of the process should be industry leaders. That's where problems are identified and possible shared solutions will originate. But the convener needs to be truly independent of and well connected with the range of public resources—from WDBs to technical colleges to K12 and beyond—that might solve the problem. The challenge for the convener is to build the best possible solution to industry problems using local resources. The convener can't be understood to be owned by any agency or provider, rather the convener must connect with and understand multiple partners. The convener and industry partnership leaders can, where many partnerships exist, provide a backbone for a multi-sector, regional leadership framework to leverage financial resources and in-kind support.
- Document employer commitment to the work. Resources should be expended in order to provide clear data on employer commitment to the partnership and its projects. This means more than simply naming firms that may have attended a meeting. Demonstrated investment—of staff time in leadership, of supervisor and worker time in skill identification and program development, of space and equipment for meetings or trainings, of sending incumbent workers to training classes, of paying for that training and of paying the workers wage during training—all are clear, measurable indications of employer commitment and can be used to help IPs find better ways of connecting with employers. The IP project did not collect sufficiently clear data on these types of investments in its early years. But such data will be essential in considering and comparing programs in the future.
- Provide resources to staff the functions of the partnership, and facilitate ongoing communication between stakeholders—employers, training providers, service agencies, funders, and workers. The role of convener is essential and far from simple. At their best, conveners understand production processes, product lines, and emerging HR practices in their industries. At the same time, they know how to help firms see shared problems and agree to joint solutions. Beyond that, these conveners must understand the public system and help build the interface between the IP and public resources. The role of convener, done well, is a foundation for economic and workforce development strategy in key regions and industries. Good conveners are worth ongoing support, because good IPs are an essential element of workforce and economic development strategy for the state. They need resources to keep conversations, relationships, and knowledge flowing so that opportunities for training and skill building can be efficiently identified.
- Invest in evaluation and documentation of outcomes for large training investments, and produce industry reports, cluster analyses, and guidebooks for disseminating IP best practices. Wisconsin's IP project made important progress in these areas. The training for field staff, policy leaders, and private sector partners was a critical element of program success. As were data and reports on key middle skill opportunities, advice on IP work, and guidelines for state agencies on supporting IP principals. In the future, this focus should be expanded to secure the data (as on employer engagement above) that can help improve programing and build support for ongoing and expanding investments.
- Develop and utilize a standardized review procedure before funding training to guarantee that Workforce Development Boards or other conveners have laid the necessary foundation for IP training in advance of receiving public funds: research on industry health and growth, prospective demand and program development with strong evidence of private sector interest in skill development, and career pathways as a solution to skill needs.

Beyond our experience in Wisconsin, we have reviewed results from other states and national research on IPs. Two documents about IPs have been especially useful in considering Wisconsin lessons and contributed to the conclusions above: "Sector Strategies and Adult Career Pathways in Wisconsin: A Win-Win for Businesses and Workers" by Julie Strawn, CLASP, available at: <http://risepartnership.org/Media/Default/ConferenceDocs/Wisconsin%20Feb%202013%202-26-13%20-%20Julie%20Strawn.pptx>; and the National Governors Association's "State Sector Strategies Coming of Age: Implications for State Workforce Policymakers" by Lindsey Woolsey and Garrett Groves, available at: <http://www.nga.org/files/live/sites/NGA/files/pdf/2013/1301NGASSSReport.pdf>.

Key Observations from the Wisconsin IP Initiative

Above, we offered some principles for success to guide future endeavors on training and system modernization. Here we offer some reflections on key decision points and ways to improve system functioning in the future based on IP experience over the course of the state's intensive work on sector strategies.

IF YOU WANT A NEW WAY OF DOING BUSINESS, BUILD A FUNDING STRATEGY FOR THE LONG HAUL

Allocating public funds by competitive grant process always creates the risk of recipients using the funds for short-term courses and programming. Future grant programs should build in sustainability from the start, conditioning receipt of funds on a documented plan for sustaining the program. All partners, including training providers and the private sector, should have a role in ensuring the future of the partnership. The Wisconsin IP initiative had mixed sustainability outcomes. Some convening grants led to short-term employer engagements. Others fulfilled the goal of developing a viable partnership.

The development of for-credit training programs leading to industry-recognized credentials along a career pathway and delivered by an accredited training provider is a recognized strategy for sustainability. Working with Wisconsin's technical colleges, a few grantees used their training funds to move towards this goal by aligning curriculum and incorporating industry credentials. Future work will need to continue to emphasize and expand the connections with the state technical college system.

A majority of the training grants were used for incumbent worker training—a predictable outcome given the Great Recession and the nation's weak recovery from it. There just aren't as many job openings in a downturn. Yet, despite the benefit accrued by up-skilling their incumbent workforces, only a few businesses made significant financial contributions in support of partnership activities. Sustainable partnerships succeed in soliciting resources from partner employers, such as paid internships/training time, 50% funding match, use of facilities/equipment, and instructors with industry experience.

WDBs, technical colleges and other workforce system leaders need to coordinate in order to change the way they relate to and train for leading industries. These new partnerships and new ways of working will bear fruit for the system, and for workers and firms, but only if there is sufficient investment in the infrastructure of convening the industry, and working with various workforce stakeholders. Together, the solutions will be stronger, but multiple players will also need to be investors in this new stronger system. And for the resources to be engaged, they need to see that this is an ongoing system reform initiative, not serial project funding that can be directed simply at existing ways of doing business.

GREATER FLEXIBILITY ON CONVENER SELECTION/LOCATION COULD SUPPORT INNOVATION AND ENHANCE SUSTAINABILITY

The Wisconsin IP initiative required a workforce development board to serve as applicant, but allowed for a variety of conveners, including philanthropic organizations. This served the dual purpose of ensuring connection of projects to the existing workforce system, but also allowing for diversity of actual locations of possible conveners. This solution may have too narrowly restricted the pool of possible applicants, however. WDBs should be partners in all projects, but many other private and public conveners might be usefully developed.

In the future, the state should be sure to focus on outcomes promised but perhaps have a slightly broader set of possible applicants for funding.

One example of a system that had limited connection to the IP funding stream (but very good work that the state would have done well to help expand) can be found in the National Fund for Workforce Solutions' two sites in Wisconsin: Milwaukee's Workforce Funders Alliance and South Wood County's Workforce Central. These both represent innovative and ongoing sector partnership models that bring together the public system, private industry and philanthropy to invest in industry partnerships. Employer engagement is direct and extensive, with employers identifying skill gaps, advising curriculum development, participating in instructor selection, and providing paid on-the-job experience. The WRTP, described above, is another model IP which remained largely disconnected from state IP investments (though WRTP leaders did serve on design and leadership groups over the course of the sector strategy project). In each case, it is unfortunate that these model IPs remained mostly outside of the state's IP funding streams.

Partly, more diverse models may engage partners outside the WDBs in stronger ways. By doing so, they may help leverage long-term interest and investment from those partners, building a more sustainable strategy for the state. For example, the two Wisconsin National Fund sites engage much more intensively with private philanthropy. In future investments for system modernization, stronger connections to the more than 1000 Wisconsin-based private, corporate, and community foundations could bring partners and resources to the table. Work with labor leaders can also bring resources and some of the state's best employers to the table. For the sake of innovation and sustainability, future investments should seek to build a system but be open to new sorts of constellations of the partners that build IP strategies.

INVESTING IN BETTER OUTCOME DATA FOR BOTH EMPLOYER AND WORKER PERSPECTIVES ON IP AND TRAINING

Over the course of the IP investment, the state committed resources to training and field development. Funded projects were required to report specific measures on their grants. The report here offers a summary of that data. These data were useful, but for larger and ongoing investments, the reporting process and outcome measurement should be expanded.

The reported quantitative measures of program activity fall quite short of actual program evaluation. Originally, the state sought social security numbers from all IP program participants. The intent was to use those identifiers to match with wage records in order to do more thorough analysis of training program impact. Reflecting concerns of workers who were filling out enrollment forms, the WDBs/conveners found this request too intrusive and suggested such data would be impossible to secure. The ensuing negotiations took social security numbers off the enrollment form and left the project without any way to measure training impact.

Future grant programs should build in sustainability from the start, conditioning receipt of funds on a documented plan for sustaining the program.

However, note that most of the training received over the course of the grant was very short and offered to incumbent workers. Just two- or even eight-hour training can't reasonably be expected to have a significant and instant wage effect for workers. Certainly finding a wage effect in quarterly earnings data for a training investment this minimal would be unlikely. So, first, it may be that earnings evaluation, at least early in IP work, is not really the best use of evaluation resources. It may make more sense to only seek wage record match where intensive training investments (moving workers toward complete one or two year credentials, for example) are being made.

While wage record match may often be beyond the appropriate expectation of results, the IP initiative would have been well served by a more systematic collection of both worker and firm experience in the project. Future investments in training should seek to collect systematic data on worker participants (including occupation, demographics and wages) as well as clearer data on employer investment in and satisfaction with training investments. From participation in meetings and project development to actual demonstrated investment in curriculum or worker participation, data on employer engagement should be systematically defined and consistently collected.

Finally, decisions on investment should be made not only on demonstrated employer commitment to the training, but also on the cost effectiveness of the training. The cost per participant hour of training in the original IP investments varied quite substantially. While there may be many reasons why these differences in costs are justified, the range suggests that there are more efficient ways to develop training, and that some conveners/WDBs could learn from their counterparts on developing such training. The state's resources can be focused on the most effective uses if consideration of total dollars and total training hours for workers is one of the many yardsticks use to measure and select training projects for investment.

INVESTMENT CAN STRENGTHEN RELATIONSHIP AND CONNECTIONS BETWEEN THE STATE'S IP STRATEGY AND ONGOING CAREER PATHWAY WORK

A final observation relates to the simultaneous innovation in Wisconsin in both IP and career pathway strategies. These two initiatives are both focused on securing better skills for workers that are more relevant in the labor market. IPs are focused on organizing firms in order to develop stronger signals on skill needs and stronger connections to training for incumbent workers. Career pathways are more focused on the instructional reform that makes it possible to move in and out of work and learning at technical colleges. As such these projects are two sides of the same coin.

The work has been coordinated and had some significant success in connecting IP principles with career pathway practices. But the links and connections could be stronger. Future investments in IP and career pathway type training should seek to build those strong linkages between industry interest and curricular reform at technical colleges. A recent conference on the subject with leaders from across the workforce development system, but especially from technical college campuses, considered ways to further integrate industry information and partnership development into their growing work

Future state investments in training will be more effective if they are designed to encourage and build these connections and the related connections from community to employers, technical colleges to workforce boards, and between a region's employers.

in career pathways. This is an important step. But more should be taken. Future state investments in training will be more effective if they are designed to encourage and build these connections and the related connections from community to employers, technical colleges to workforce boards, and among a region's employers.

CONCLUSION

The Wisconsin Industry Partnerships and the investments of institutional and financial resources made over the course of the project were an important step toward reforming and modernizing the state's workforce development and training system. More progress will be made as new investments and initiatives and leaders seek ways to meet employer demand by building workforce skills. This work will innovate and develop in new and surprising directions. Or at least we hope it will. But we know it will also rely on specific strategies and insights. The learning developed over the course of the IP initiative should help shape and refine those strategies.

APPENDIX 1: NGA SECTOR STRATEGIES INITIATIVE: LEADERSHIP & STAFF PARTICIPATION OVER THE INITIATIVE

We provide names of executive and staff level participation in the project. Given flux in leadership and staffing, and changes in jobs, it is not comprehensive of participation at all levels. It does, however, provide some indication of the range of participation in leadership of this initiative. Names below participated in all or some of the initiative. Titles are given during their participation.

Project Core Executive Team

Roberta Gassman, Secretary, Wisconsin Dept. of Workforce Development (DWD)
Elizabeth Burmaster, State Superintendent of Public Instruction
Richard Leinenkugel, Secretary, Wisconsin Dept. of Commerce
Tim Sullivan, President & CEO, Bucyrus International, Inc.
Cheryl Welch, Executive Administrator, Fox Valley WDB, Inc.
Michael Lanser, President, Lakeshore Technical College
Phil Neuenfeldt, Secretary-Treasurer, WI State AFL-CIO
Robert Meyer, President, Wisconsin Indianhead Technical College
Joel Rogers, Director, Center on Wisconsin Strategy, UW Madison
Nina Carlson, Policy Advisor, Office of Governor Jim Doyle

Project Staff Leadership across the Initiative

Sharon Berge, Special Strategies & Special Grants Manager, Wisconsin DWD
Hector Colon, Executive Assistant, Wisconsin DWD
Kathleen Cullen, Vice President, Teaching & Learning, Wisconsin Technical College System
Ron Danowski, Administrator, Division of Employment & Training, Wisconsin DWD
Laura Dresser, Associate Director, Center on Wisconsin Strategy, UW Madison
Kristofer Frederick, Budget & Policy Analyst, UW System
Richard Jones, Agency Liaison, Wisconsin DWD
Willa Panzer, Associate VP, Student Development, Wisconsin Technical College System
Sigrid Peterson, Graduate Project Assistant
Linda Preysz, Policy Advisor, Wisconsin DWD
JoAnna Richard, Deputy Secretary, Wisconsin DWD
Jennifer Riggerbach, Project Director, Workforce Central
Anne Rodgers-Rhyme, Policy Initiatives Advisor, Wisconsin DWD
Jessica Stoller Legois, Policy Initiatives Advisor, Wisconsin Dept. of Commerce
Sharon Wendt, Director, Career & Tech Education, Wisconsin Dept. of Public Instruction
Karin Wells, Vice President for Research, WAICU
Dennis Winters, Chief Economic Advisor, Wisconsin DWD

APPENDIX 2: GUIDELINES FOR INTERNAL PROGRAM & POLICY REVIEW TO SUPPORT SECTOR STRATEGIES

This document was prepared by the staff team in order to encourage broad engagement with and support of the sector strategy work in the state. Part of the intent was to ensure that agencies, especially those outside of DWD and training institutions, were thinking about and seeking to direct resources and policy in support of the state's sector strategies. The contents of the document are provided in their entirety below:

The purpose of Wisconsin's Sector Strategies Initiative is to further Governor Doyle's agenda for growing the Wisconsin economy and strengthening opportunity and skills for working Wisconsinites. The initiative brings together leaders from industry, labor, education, workforce development, and economic development to build an education and training system responsive to and driven by the needs of workers and employers.

The Sector Strategies Initiative seeks to coordinate and build on our existing foundation, in part, through growing system accountability. Our goal is to improve the effectiveness of Wisconsin's economic and workforce development system by focusing multiple governmental and non-governmental organizations on common goals and aligning resources across programs with different funding sources and constituencies. The "Guidelines for Internal Program and Policy Review" presented here are intended to serve as a first step towards greater coordination.

The Core Team of the Wisconsin Sector Strategies Initiative respectfully requests the support of the Council on Workforce Investment on these "Guidelines for Internal Program and Policy Review" as outlined below.

- Provides special consideration for or places special emphasis on: (1) formal industry partnerships or entities participating in formal industry partnerships, and (2) investments within targeted regional industry sectors. Consideration should be given to who is eligible for or what projects are eligible for training, job search, and placement resources to ensure some incorporation of the Sector Strategies Initiative goals.
- Defines "targeted regional industry sector".
"Targeted Regional Industry Sector" means a targeted sector as identified by the Department (applicable to your agency) in consultation with other state agencies and regional economic development entities (insert your respective constituency group).
- Defines "Industry Partnership".
"Industry Partnership" means a partnership that combines industry leadership with support from multiple partners: workforce development organizations, educational institutions, training providers, industry and trade associations, organized labor, economic development, community-based organizations, local government agencies, and private foundations to identify and address common workforce needs in targeted industry sectors, promoting the economic competitiveness of key industries.
- Makes program eligibility criteria more flexible or considers other ways to ensure inclusion of targeted regional industry sectors in existing programs.
- Establishes relationships between industry partnerships and training and job service providers including Correctional Institutions, W-2 agencies, community-based organizations, etc., to ensure that resources are utilized, at least in part, to meet the needs of both employers and employees in targeted regional industry sectors.

APPENDIX 3: SECTOR STRATEGIES & WIA PLANNING

The state provided direction to WIBs for their WIA planning on how to incorporate sector strategies/partnerships and career pathways into their planning processes. We include these instructions to the WIBs (excerpted from the WIA planning directions from the state to WIBs) below:

What are Sector Strategies?

Sector strategies are state and local policies that promote regional employer-driven partnerships of industry, workforce development boards, economic development, education and training, and other stakeholders that focus on the workforce needs of key industries in a regional labor market.

A sector strategy team focuses on one critical industry such as advanced manufacturing, healthcare, or construction.

They are led by intermediaries to engage employers and other key stakeholders to develop coordinated and customized solutions to the workforce and growth needs of employers in that industry. In Wisconsin, those intermediaries are most frequently the Workforce Development Boards.

Which industries are targeted?

Those that are high-demand industry sectors based on labor market trends are appropriate for sector strategy work.

Each region of the state has somewhat different high demand sectors—one area of the State may include tourism, hotel and hospitality. Another may include agribusiness or food manufacturing. All regions include healthcare and energy industries.

What has DWD done to support Sector Strategies?

To date

- \$574,612.00 issued in convening grants at \$25,000 a grant
- \$4,484,235.00 issued for training grants

This funding came from WIA discretionary dollars. Future WIA discretionary funding is a big question—proposed WIA reauthorization eliminates discretionary funding and introduces state Innovation Grants. If Innovation Grants become part of the reauthorization, they will be issued as competitive grant proposals.

WIA State and Local Plans—Sector Strategies

DWD believes that ownership of the sector strategy work belongs to the local stakeholders. The workforce development boards are the primary conveners of the sector strategies and are recipients of regional WIA funding.

The WIA state plan directs boards to include the following in their local plans:

1. Identify the WDB's current targeted high-demand industry sectors, how they have been determined, and the evidence used to identify the labor demand.
2. Demand-sectors change based on the changing economy. Describe the methodology used to determine if the existing sector should change, or if new sector strategies should be developed. Identify any new sectors the WDB may intend to pursue.
3. What does the WDB do to ensure that the workforce skills needed by these high-demand industry sectors and other private employers are targeted for WIA-participant training?
4. How does the WDB mesh the workforce strategies/activities with the area's economic development strategies/activities?
5. Describe any "regional planning and coordination."

WIA Local Plans—Employment Training

One key issue for most industries is building and maintaining their workforce pipeline. RISE Career Pathways and Bridges provide a reliable, predictable educational progression to achieving gainful employment, and are intended to become a regular option for customers in all parts of the state, as opposed to “only available in some locations”.

What has DWD done to support Career Pathway and Bridge Programs?

- Skills Jump Start (funding specifically for bridge programs)
- Opportunity Grants
- WIA waivers including one that supports a certificate or “chunked curricula” leading to a degree or diploma as an acceptable outcome

WIA funding provides resources for employment training for incumbent and dislocated workers, which can include career pathway and bridge programs.

The new WIA State Plan directs the boards to incorporate in their local plans the following:

1. Identify what sectors, programs/courses (career pathway) are available, and where they are being provided.
2. Describe how the WDB intends to expand career pathways and other similar models.
3. If career pathways training is not available for youth and adults within the WDA at this time, list top action steps in concert with WTCS to develop career pathways, and an anticipated timeline as to when career pathways will be incorporated into the WDB's service delivery.
4. Identify other strategies the WDB is using for participants to be competitive in the job market to train-up for the next level of prospective employment.

DWD reviews and fully accepts the plan or requests modifications. Once finalized, DWD monitors local plans and implementation practices for compliance.

We believe these two tracks (sector strategies and career pathways) will boost WIA performance, provide greater opportunities to work with tech colleges and other workforce development partners, and increase positive connections to the workforce.