High Performance Partnerships:

Winning Solutions for Employers & Workers

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Acknowledgments

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The Center on Wisconsin Strategy is a research and policy center dedicated to improving economic and living standards in the state. In pursuit of that goal, COWS has played a key role in developing and supporting the projects described here. For more information, find COWS on the web at http://www.cows.org/ or call 608-263-3889.

Table of Contents

Executive Summary

Wisconsin has set its sites on economic competitiveness and strong economic opportunities for the people of the state. Our recent economic success has been remarkable — unemployment is low, the number of jobs is growing, and wages are starting to head up. There is no better time to build on that strength and develop the new partnerships that will help solve some of the problems that still confront workers, firms, and the public sector.

Problems

❖ Employers face high turnover and see few returns to investing in workers.
❖ Employers fear that once trained, workers will be lured away by a firm down the street that doesn't train, but offers slightly higher wages.
❖ Workers can't find the information they need about transitions to work and requirements for advancement to family supporting jobs.

In a rapidly changing economy, firms, workers and the public sector are forced to address these issues everyday. In light of these issues, technical colleges, schools, and job centers struggle to keep their services flexible and responsive to the needs of individuals and the industry. And quite simply, they have found that old responses to these economic challenges just won't do.

The solutions lie in adopting and implementing new strategies. And increasingly, the strategies that have proven successful in meeting these challenges rely on partnerships — partnerships between businesses and firms, among firms in a specific industry, and between the public and the private sector.

Wisconsin is leading the way in developing "sectoral strategies" which build partnerships in industries and in given regions. What an industry based strategy offers is an infrastructure that can organize information in order to seek greater scale and leverage in labor market reform, improve training systems for new and incumbent workers, and develop employee and public sector connections to industry.

This document will introduce you to partnerships currently operating in Wisconsin and the theory behind them. It also demonstrates that these systems are replicable by outlining the steps taken to develop a partnership of any scale and in any industry.

Some of these partnerships are formal with governing bodies and an extensive membership. Others are less formal with several firms coming together once a month to discuss common industry problems and brainstorm on joint solutions. Yet the end result is the same — the organization of industries in order to rebuild access and advancement systems given new economic realities.

Part 1...
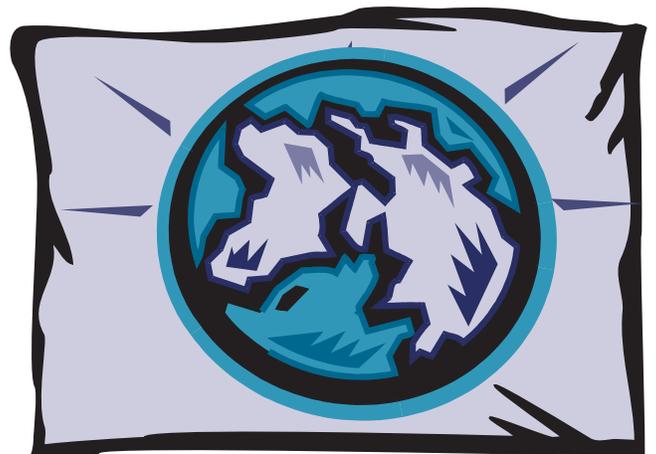
Partnership

Approaches

in the New

Economy

Why Build Partnerships?

Theory behind the Practice

Today's economy — technological, global, competitive, and rapidly evolving — presents new challenges and opportunities to Wisconsin's firms and their workforce. Quite simply, the old responses to economic problems will not do in the new reality. To keep up with economic change and, more importantly, to make the most of it, today's workers and firms require new strategies. Often those strategies will be internal or individual, but increasingly, strategies rely on partnerships — partnerships between businesses and workers, among firms in specific industries, and between the private and the public sector. These partnerships, once built, can benefit all the players — workers, firms, and the public sector — by developing solutions to shared problems. Building on experience in Wisconsin, this document provides some background on how economic change has altered labor markets and how such partnerships between workers, firms, and the public sector can help build a response. Wisconsin is at the leading edge of the development of "sectoral strategies" which build partnerships in industries and in given regions. These are the supports that help strengthen Wisconsin's base of quality jobs and quality workers.

While Wisconsin's economic strength has been a benefit to workers and firms in the state, workers, firms, and the public sector all face new challenges as the economy changes. Workers can no longer bank on what used to be reasonable expectations about career advancement and job opportunities; especially for those without college diplomas, the labor market is filled with "jobs" but very few "careers." Job systems are equally difficult to navigate for employers who seek effective connections to potential workers but can face a confusing array of private and public service providers. Often, employers have no real knowledge of what is available, the quality of services being provided, or who to turn to for assistance. Finally, public sector providers have difficulty in obtaining organized and clear industry information on the level of demand, occupational shortages, and training opportunities and requirements. The closest approximation of this critical information is often painfully gathered, one firm at a time.

Effective competitive strategies rely on partnerships — partnerships between businesses and workers, among firms in specific industries, and between the private and the public sector.

One promising approach to address these problems is the development of industry partnerships which provide the infrastructure to organize information and improve training opportunities on the demand side of the labor market. This strategy has excited considerable interest in recent years as the "natural" workings of the labor market have soured for many Americans, and as growing recognition of funding and information constraints on government have undermined confidence in the public sector's ability to turn that around. Such an industry-based strategy focuses on organizing firms in a common industry or production cluster, and using this organization to seek greater scale and leverage in labor market reform, improve incumbent worker training systems, and develop employee and public sector connections to industry. Such strategies can be more or less ambitious — ranging from a group of firms meeting to discuss marketing or training opportunities to full-scale consortia engaging in everything from joint training to common production planning and work reorganization. Wisconsin, recognizing the potential of these partnerships, is leading the way in making this strategy more widespread. Wisconsin now hosts several notable sectoral projects. The lessons learned in developing those projects are shared here to further advance the model in the state.

This book will introduce policy makers to three projects already established in Wisconsin and why they hold so much promise at a time when more traditional systems have failed for workers and employers. The report's second section is more of a "cookbook," outlining the steps for developing an industry partnership.

The Wisconsin Experience

Three current Wisconsin projects, the Wisconsin Regional Training Partnership (WRTP), the Milwaukee Jobs Initiative (MJI), and the Dane County Jobs With A Future project, rely on sectoral organization and are overcoming key labor market problems in their respective regions. The common element among them all is the organization of industries with the end goal of rebuilding access and advancement systems given new economic realities.
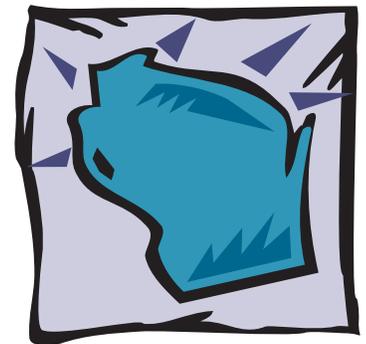
WRTP
♦ *Founded in 1992 in Metro Milwaukee*
♦ *46 member firms employing over 50,000 state residents*
♦ *Committee work areas include modernization, incumbent worker training and future workforce development*

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The Wisconsin Regional Training Partnership

One of the longest running regional partnerships, the WRTP was founded in 1992 in Milwaukee and is currently the largest sectoral training consortium in the country, and the most advanced in overall program goals. It has now grown to 46 member firms employing over 50,000 state residents in machining, electronics, plastics, and related sectors. More than half of the members are small to medium size workplaces with 500 employees or fewer.

The WRTP was formed by business and labor leaders to advocate family-supporting jobs in a highly competitive manufacturing environment. The WRTP has developed successful models for: (1) implementing new technologies and work processes; (2) educating and training the current workforce;

and (3) meeting the future workforce challenges. These models have enabled members of the WRTP to obtain significant improvements in business performance, achieve substantial increases in employment, and attract qualified workers into manufacturing. The preservation of manufacturing has made a major impact on community and economic development in the state.

Milwaukee Jobs Initiative (MJI)

Also located in Milwaukee is the Milwaukee Jobs Initiative (MJI). In 1995, the Annie E. Casey Foundation selected Milwaukee as one of six cities to participate in a national jobs initiative aimed at enhancing the connection between central city residents and family supporting jobs. The MJI focuses on manufacturing, printing, and construction jobs projects. In each of the three targeted sectors, the MJI seeks to improve the organization, integration and coordination of actors on both the demand and supply sides of the labor market.

In manufacturing, the MJI is working with the WRTP on connecting central city residents with area manufacturing employers. Project participants enter firms with some basic understanding of work in manufacturing, having received short-term (usually 12-18 weeks) training designed by the technical college. More than 150 project participants have already made the transition to manufacturing jobs where the entry wage averages over $11.00 per hour.

In construction, MJI collaborates with the Central City Workers' Center (CCWC). The CCWC is a one-stop service center where job seekers can obtain employment information and receive screening for employment eligibility. The CCWC also provides various support services such as training, employment referral, and basic legal aid. Consistent with its industry focus, many job seekers obtain placements in the construction industry through the CCWC, while others are referred to other MJI projects in manufacturing or printing. The CCWC has strong outreach capacity because it has involved a diverse coalition of organizations. In addition, the diversity of participating organizations helps to assure that there is sufficient attention to the institutional barriers that prevent minority workers from pursuing construction careers.

MJI's printing project is managed by the Milwaukee Graphic Arts Institute (MGAI), an existing labor-management development organization that has successfully trained incumbent workers for 25 years. MGAI works with the Milwaukee Area Technical College (MATC) to develop entry-level curricula which qualifies central city workers for jobs in printing.

"Jobs With A Future" in Dane County

Dane County business, labor, community college, and elected political leaderships have also committed to taking an active role in changing labor market conditions. The Dane County Economic Summit Council, a blue-ribbon commission comprised of leading public and private sector representatives, is working to improve labor market administration in the area, with a particular view to improving the fortunes of entry-level and low-wage workers. Building on a base of labor market and industry analysis, a series of "Jobs With a Future" partnerships have been founded that bring employers, labor, public educators, and human service providers together to discuss and act on common industry problems and collectively work to provide increased opportunity for entry-level and low-wage workers in those industries.

Partnerships have now been established in health care, manufacturing, and finance & insurance, and they provide critical capacity for intervention. From programmer trainees to phlebotomists, industry and the technical colleges have worked within the partnerships to develop new solutions to occupational shortages. Already, more than 40 students have participated in training that was designed in response to needs identified by the partnerships. Also, the Dane County Job Center works with the partnerships to move people into better paying work. This "Upward Mobility" project provides a connection to family supporting jobs for the County's working poor and helps the areas best employers recruit the workers they need.

The New Reality[1]

...individuals need complete information on labor market opportunities, strong on-the-job training systems, and a good understanding of the relationship between the skills required for one job and those required for the next.

What all of these three projects, as well as projects across the country, are trying to address is the breakdown of labor markets. Ultimately, for labor markets to work well for people they must provide clear and reliable methods of access to jobs and advancement. An ideal labor market provides:

❖ *entry level employment which prepares workers for and connects them to future opportunities;*
❖ *predictable, fair, and well-known methods of access to family supporting jobs; and*
❖ *opportunities for incremental skill development on the job and in training which allows for routine career advancement.*

For this to occur though, individuals need complete information on labor market opportunities, strong on-the-job training systems, and a good understanding of the relationship between the skills required for one job and those required for the next.

This type of system was most closely approximated in post-WWII manufacturing. When young workers started in entry-level positions in a factory, there was reasonable assurance they would acquire increasing skill, wages and seniority over the years. These workers took low-skill positions and could expect over time to be part of an orderly and secure progression to higher skill levels. Because job stability grew with seniority, incumbent workers benefited as they moved up the ladder.

Based on anecdotal or, for many, first-hand experience, very few people would say that this type of system still exists. The question remains then: "Why are labor markets more difficult to navigate?"

Work Restructuring

At present, work organization is widely characterized by less transparent signals of how workers can move up through the system. Firms have reduced

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[1] This section draws heavily on Dresser and Rogers, "Networks, Sectors and Work-force Learning" in Jobs & Economic Development, edited by Robert P. Giloth (Russell Sage Press, 1998).

the total number of job descriptions and have cross functionally defined the jobs that remain. Accordingly, jobs on average carry somewhat more demanding human capital requirements, and movement across them is driven by worker demonstration of specific skills — albeit, generally, skills still specific to individual firms. Additionally as firms become more narrowly focused on "core competencies," they outsource many of the entry-level jobs that once provided a route toward the core positions. When the janitor or data-entry clerk are paid by a business service or temporary placement firm, it is harder to develop relationships that can get them into the company where they work. Moreover, in many instances, work reorganization demands more abundant and more general skills (e.g., team work and flexible production) even as it eliminates the sorts of intermediate positions where those skills could be incrementally gained.

Economic Shifts Toward Service Sector

Simultaneously, there has been an economic shift towards the service sector, with a direct impact on the development of career ladders – or internal advancement systems. The service sector has almost never had the same type of advancement opportunities as once evidenced in the manufacturing sector. In part, this is due to the extreme bifurcation of the service sector. Intermediate positions and pathways out of the low-wage jobs have never been well developed. For example, the distance in training and pay between a Certified Nursing Assistant position and a Licensed Practical Nurse is quite large; making the transition is neither common nor convenient. Advancement in clerical careers generally requires moving from one industry to the next in an attempt to move to larger, better paying firms; internal advancement in clerical careers is often impossible.

Declining Firm Size

Declining firm size also negatively impacts individuals' ability to move up in an industry. By their very nature, small firms and firms that are not growing offer fewer opportunities for internal advancement.

Declining Unions and Public Sector Employment

There are two key institutions that support upward mobility and well-ordered advancement systems for large portions of the workforce – public sector employment and union contracts. Their decline has further undermined logical internal advancement systems. In the public sector, civil service rules and requirements allowed for clear understanding of job access requirements and advancement possibilities. Likewise in unionized settings, negotiation over seniority rules, wage structure, and upward bidding protocol encourages the development of clear internal labor markets. However, over the last 25 years, private sector union density has fallen rapidly and now accounts for only 10 percent of the labor force, less than one-third of union density at its peak in the U.S. The public sector workforce has undergone massive reductions due to shrinking budgets for services and to the privatization of public jobs, from garbage collection to social work. As these institutions decline, more subjective systems for advancement, including personal connections or supervisor choice, have become more important in labor market outcomes. Those who have little luck or few contacts in the labor force to start with are then further marginalized.

These economic changes mean that subjective systems for advancement, including personal connections or supervisor choice, have become more important in labor market outcomes.

The Changing Make-up of the Work Force

Finally, women are participating in the labor force in record numbers and with this comes additional time pressures for men and women. Quite simply time pressure makes long-term, night or day education (that could move people up to better opportunities) an unrealistic option for the typical family. Both parents are already committed to full-time work and what little time is left they want to spend with their children. The sheer number of hours that most families commit to the labor market means that short-term, on-the-job, and flexible training strategies must be more fully developed. Single parents face this bind in a more extreme way. For them, advancement to better paying jobs might be the single key to getting out of poverty, but the time pressures they face are nearly as extreme as the economic pressures they face. Taking time-off for training is simply not in the cards.

Impacts of Economic Change

While these realities obviously cost workers — poverty and frustration are just part of the toll — they cost employers as well ...

What ultimately results from these forces is less clarity in labor market signals, less training for incremental progress through the labor market, and fewer prospects for real careers for many workers. The result is a far more forbidding system for would-be labor market entrants. Job seekers no longer have the confidence that they have the skills needed for entry-level jobs, or that those jobs will naturally put them on a career path of increasing income and security. The labor market doesn't provide sufficient information about transitions to work, transitions within work, and requirements for advancement. Many workers find themselves stuck in dead-end jobs, or even in mid-level jobs, without any obvious or clear route out. While these realities obviously cost workers — poverty and frustration are just part of the toll — they cost employers as well and do little to help improve the coordination and delivery of public sector providers.

For Workers — reliance on informal networks to secure jobs has increased and moving out of entry- and mid-level jobs has become more difficult.

One of the results of the restructuring of the economy and of workplaces has been the emergence of a growing category of jobs commonly known as "dead-end" jobs. Such jobs are characterized by very low wages and little hope for progression to jobs that pay better. While it is clear that many, even most, workers make it out of dead-end jobs after a period of time, there is another segment of the labor force that plods through dead-end jobs, never finding a way out. Workers with less education, women, people of color, and

the young and old are disproportionately concentrated and trapped in dead-end jobs. As the service sector grows, and as firms increasingly contract for low-skill work (from janitorial work to data entry) from temp agencies and business service providers, some of the avenues that previously existed within firms for advancement out of low-skill jobs have been cut off. In these circumstances, entry-level employees cannot prove themselves, or expect that such proof will provide access to better paying work in the firm; after all, they are not formally employed by the firms in which they work.

Further up in the labor market, at slightly higher wages and skill levels, the problem is repeated: many workers, in jobs as diverse as machining and medical record coding feel stuck in mid-level jobs. Workers in these jobs often do not have the time or inclination to invest in training outside work. On the employer side, few firms regularly upgrade the skills of their employers. Often the next rung on the ladder requires a prohibitive investment of time in school such as a certification in insurance billing, medical transcription or skilled trades. In these jobs, systems for learning, skill upgrading, and training are largely overlooked or pursued by only a handful of employees.

Moreover, informal networks have grown in importance and this creates an additional set of problems. Asking "how'd you get your job?" often brings a common response: "My [friend/relative] told me about the opening and I applied." Clearly not all jobs in the labor market are filled in this informal manner, but often, in the absence of reliable credentials or recommendations, employers turn to their own networks of employees and colleagues to fill open positions. At upper levels, the process may create glass ceilings through which professional women and minorities cannot advance. Perhaps more importantly, at the bottom of the labor market, a reliance on informal networks may dig a bottomless pit for workers with less than a college degree, especially those who are women and/or minorities. For a worker getting into the first job, a well-connected and working network of friends and relatives can help identify opportunities and ease access. As central city residents have suffered increasing economic isolation, this first transition becomes more difficult. Moreover, evidence of increasing labor market inequality *within* specific race and education groups also suggests that initial position in the labor market may be increasingly influential on future opportunity. That is, those who get off to a bad start in the labor market may find themselves further and further behind in part because they are not in a position to develop the sorts of contacts that can lead to better work.

The real problem with informal networks is that systems of access into the labor market, and the strategies for advancement through it (both within and across firms), are not clearly defined, identified, or understood. Obviously, information on the labor market, knowledge of opportunities, key actors, and critical institutions can make all the difference in terms of outcomes. When the information is increasingly difficult to obtain, or when that information is more detailed for some than for others, inequality will result. And to the extent that a worker's current position determines future opportunities, that inequality will increase over time. Interviews with Wisconsin employers suggest that firms have little faith in verbal and written recommendations from previous supervisors and that they often prefer employee referrals. Further evidence of the negative effect of informal systems on marginalized workers comes from a multi-city study of employers which shows that those who use tests to screen job applicants are much more likely to hire black candidates for jobs than are employers who rely on more subjective screens such as interviews.

Asking "how'd you get your job?" often brings a common response: "My [friend/relative] told me about the opening and I applied."

Given the strong anecdotal evidence suggesting that job displacement and career interruption are becoming ever more likely, the importance of establishing clarity in the labor market can only grow; churning in the market will require individuals to find new jobs more frequently. Without clearly identified pathways of access, churning will further damage the chances of those with little access to good informal sources of information.

For Employers – The competitiveness of firms is impacted by high employee turnover rates and the reluctance to invest in training for fear of "poaching" by other firms.

Workers are not the only ones hurt by this system. In fact, this system produces a series of economic problems for employers as well. For example firms are experiencing increasing problems with turnover in their lowest skilled jobs. Turnover produces significant costs in training and recruitment, and reduces productivity and efficiency. As a result, firms are both reluctant and unable to fully train workers. At the same time, workers see few rewards for staying in these dead-end jobs, little training to improve their wages, and few opportunities for advancement. If workers were convinced that continuous tenure on the job would be rewarded through wage increases or advancement opportunities, they might choose to stay in their jobs. And if firms could be convinced that workers would be more likely to stay on the job, they might be interested in investing more.

Again, being stuck at mid-level work is a problem for firms as well as workers. A highly trained workforce increases the possible gains to firms that are able to adjust to new demands in markets and new technologies of production. In fact, much of high performance manufacturing requires a well-trained workforce. Firms in the service sector are also required to adopt new technologies quickly and adjust to new markets and changing demand. Indeed, a well-trained workforce can make a critical contribution to firms' competitiveness. The problem is that firms wishing to make the transition to a high performance workplace cannot independently create an appropriate system for training their workforce. Many employers, quite reasonably, fear that their trained workers will be "poached" by other firms that can offer slightly higher wages without contributing to the original employer's investment. This fear of "free riders" pushes firms to invest less than they would like in training or to train more narrowly than would be optimal. These firms continue to pursue strategies that require less of their workforce, promise lower productivity in the long-run, and lower wages.

For the Public Sector – The inability to get clear, forward looking, and representative industry input reduces the public sector's ability to efficiently provide services.

The public sector also has the potential to be largely impacted by new systems of labor market administration. As it stands, there are only a few ways that the public sector is able to get information and this results in public sector work that is often highly customized, personalized and non-representative. The customization of programs is apparent in training institutions that develop programs around the narrowly defined needs of a single firm, and work on a firm-by-firm basis. The personalization of public sector work is evident in Job Centers whose counselors rely on personal connections with

Many employers, quite reasonably, fear that their trained workers will be "poached" by other firms that can offer slightly higher wages without contributing to the original employer's investment.

firm HR managers to get jobs for their clients. Advisory committee structures generally rely on civic mindedness or the narrow interests of business representatives. The result is a fractured system with multiple entry points, bureaucratic rules, conflicting priorities, inconsistent and non-representative employer participation, poor coordination and missed opportunities for labor market upgrading.

This evidence demonstrates that entry-level and incumbent workers need to see a way up through the labor market. Employers need more reliable systems for identifying, hiring, training and promoting their workforces. And, the public sector needs organized industry input that can be translated into effective training and support systems.

Why Sectoral Projects?

Experience in Wisconsin demonstrates that sectoral strategies can simultaneously advance the interests of industry and low-income workers by developing trusted intermediaries that respond reliably to private sector needs. Done in a systematic way, the gains from implementing such a system are abundant and certain positive economies are realized.

First, collaborative industry work on shared problems opens new opportunities for cross-site learning.

For instance, firms that are interested in developing workplace education centers can talk to firms that have already developed their own. Or, successful programs for employee retention can be spotlighted. Bringing firm representatives together with a focus on human resource and training issues builds a network for learning in the industry and helps avoid the constant reinvention of the wheel.

A second advantage to industry collaboration is that firms can begin to speak more clearly as an industry as they work together.

This means that signals to the public and private institutions on which companies rely are more in touch with general industry demand. Technical colleges and training institutions can look for more representative information on industry demand, skill shortages and training needs. The community can see the industry more clearly in terms of opportunities available and potential careers. All that can only occur, however, if industry leaders are working together to speak with a clear and unified voice on issues critical to the industry as a whole.

The final advantage to industry collaboration is that some problems may only be solved by working together.

For example, a handful of smaller firms in a common location may want to develop a shared workplace education center. Some firms may not have the time and resources to design training for entry-level workers on their own, but in concert with others seeking to fill similar entry-level jobs, the set-up costs of the program are reduced for each participating firm; collaboration thus allows for projects that no single firm might undertake. The final example of this phenomena is the poaching of workers. If a firm, on its own, commits to increasing its investment in training, it also increases the chances of losing its trained workers to other firms. If a body of firms together commit to increased training of their workforces, the chances that worker mobility will be a net drain on a single firm are reduced considerably. It is only in working together that this sort of "free rider" problem can be overcome.

Sectoral Partnerships

Sectoral partnerships have already been shown to contribute to the further integration of regional labor market services. The boxes on the next few pages offer descriptions on just a few ways the public sector has been impacted by the presence of sectoral organizations in Dane County.

CESA2 – Dane County School to Work Partnership

"The Jobs With a Future Partnerships have allowed us to build stronger connections with business and helped us develop new programs and placements for our students."

Diane Kraus, CESA2

Today's students are tomorrow's workers, and their connection to and understanding of the Wisconsin job market is enhanced by the state's School to Work programs. These programs create partnerships between students, educators, and companies. Designing meaningful programs that respond to industry needs, providing students with appropriate internship and apprenticeship placements, and encouraging communication from the world of work to area schools all requires strong employer input and support.

The Dane County JWF Partnerships have provided a forum for discussion and marketing of School to Work programs. Staff from CESA2, which coordinates the School to Work program, and district based School to Work staff have been able to tap into industry and make connections with multiple firms. CESA2 has improved visibility in the local market and expanded their name and program recognition among employers. Additionally, the JWF Partnerships have helped identify new companies for placing students.

But perhaps the most significant contribution of the JWF Partnerships to School to Work programming has been the partnerships' consideration of and advice on the development of new programs – especially in evolving needs in programming and information systems. In this area, local employers were engaged in identification of skill requirements for specific fields, prediction of future changes in the industry, and discussion of elements that should be included in training and apprenticeship as a result. The strong relationships that the partnerships have built between School to Work programs and industry will continue to bear fruit as Dane County's industries continue discussions on developing a workforce for the future.

Madison Area Technical College

"The Dane County Jobs With a Future Partnerships help support many of the changes MATC wanted to make to move forward with our customers. We're working to get better information, to offer the customized training that firms need, and develop the flexible delivery systems that today's workers and firms require. The Jobs With A Future Partnerships provide the infrastructure for developing these new programs with industry and for moving MATC in the direction we want to go."

Ed Clarke, MATC

Well-developed, widely utilized, and supported training systems are critical aspects of a well-functioning labor market. Wisconsin's strong technical college system has provided the backbone of our training systems. Yet at times, technical colleges have been unable to secure the necessary information to respond to emerging employer demands. Employers as a group remain largely distant from the process of defining curricula, and their input, when it is present, remains largely firm-specific – denying the public sector much real leverage on reform.

The Jobs with a Future Partnerships in Dane County have formed a strong partnership with the Madison Area Technical College (MATC). The area firms that participate in the partnerships have been able to help develop new training or improved access to existing programs. MATC is able to receive representative industry information on training needs and develop training responses. As a result of JWF activity to date, MATC has developed new training programs, added sections to courses, and modularized elements of its own curriculum.

For example, MATC's first project with the JWF partnerships was to develop a training solution for the shortage of information systems professionals in the Dane County area. Across the state, this is a critical occupational shortage, and companies often find themselves bidding against each other for a small pool of candidates. MATC worked closely with the Finance and Insurance Partnership to develop a modularized curriculum for incumbent workers to become programmer/analyst trainees. The concentrated curriculum involves 4 hours of training per day for 16 weeks. Companies send current staff who are "topped out" in their present position, having screened them for aptitude for computer programming. The first class of 15 employees has already graduated and a second class is underway. Seven area employers have sponsored students in the class.

This is not a program that would have simply emerged on the basis of demand in the labor market. No single company can identify or incorporate 15 students all at once. By having several employers send workers to the training instead of customizing the training to just one employer, the class offering was made feasible for MATC and affordable to companies. Further, by pulling out the essential course elements and modularizing the training, MATC was able to meet employer demand in an effective and timely manner, and employers did not need to lose their incumbent workers to full-term programs. Modular courses allow for skill-based rather than curriculum based credentialling and support life long learning.

MATC also offers a similar modular training in phlebotomy to address this occupational shortage in the health care industry. In order to maximize the impact of the program, MATC advertises the phlebotomy course to both employers and to perspective students. Like the program established for programmer/analysts, this program provides workers with the opportunities to move up within the health care field without having to commit to an associates' degree program.

Finally, MATC was able to address employer demand for medical transcriptionists, by offering an additional section of the regularly scheduled course to participants from Health Care Partnership firms.

By working with the JWF Partnerships, MATC has been able to provide training in a more effective manner and get the comprehensive industry input that makes their classes successful.

Dane County Job Center

"We've always been concerned about developing systems for low-wage workers to move into family supporting work. The JWF Partnerships help provide us critical infrastructure and contacts as we build a system that can actually do that."

Mary Ann Cook, Dane County Job Center

Anyone familiar with Wisconsin's economy knows that some of our best employers are struggling to find workers. These companies offer family supporting wages and benefits but still find it difficult to locate good workers. At the same time, thousands of workers feel trapped in poverty wage employment without the connections or information to move up in the labor force. These workers have the skills it takes to move up, but simply lack the information required; according to a recent survey of Dane County residents, workers with a high school education are twice as likely as other workers to rely on friends and relatives for connections to jobs. (Workers with more education are more likely to rely on posting services and advertisements.) As a result, reliable workers may never find those jobs with good companies that could benefit from their labor and would offer a future for their families.

In Dane County, the Job Center is working directly with the JWF Partnerships to develop systems for "Upward Mobility." Staff are now identifying working poor individuals who may need information on better job opportunities, and designing a range of programs from orientation to support services that will help these individuals make transitions up.

The Partnership companies have identified not only their most common positions for hiring but also their internal career ladders and training opportunities. A Partnership firm directory lists company and entry-level jobs and the advancement opportunities. It also provides worker profiles where individuals inside industry describe their day-to-day experience on the job.

The upward mobility project develops the connection between those who need good jobs and the Partnership firms that are looking for reliable workers. The project makes good connections for area firms and workers, but it is also good public policy. Many of the working poor currently receive public benefits such as Food Stamps and Medical Assistance, and it is this caseload that has provided a first group for targeting in the upward mobility program. This program will help individuals make the connection out of poverty and into family sustaining employment.

Though this project is just beginning, Job Center staff and Partnership firms are enthusiastic about implementation. Some of these connections were made in the past, but this project provides a more systematic approach for connections between industry and the public sector. Perhaps most importantly, workers at poverty wages can begin to get the information and support that will help them make transitions up in the new economy.

What Else Makes a Partnership Useful and Unique?

In addition to the economies that result, there are other advantages to sectoral partnerships. In most arenas, hours upon hours have been devoted to developing systems for private sector input in public sector programming. Advisory boards, personal contacts, ad hoc committees, and focus groups emerge and fade as new projects are proposed and developed. These structures do secure critical input for program design and support for new program development and in many instances are necessary. However, the industry partnership approach differs from these other approaches to the private sector in a number of critical ways.

Here, we discuss some key contributions that these sorts of partnerships can make.

Not Just Another Advisory Structure — Partnerships Require and Develop Private Sector Leadership in Problem Solving and Program Development

The real aim of an industry partnership is to provide the infrastructure for an ongoing conversation among industry leaders. The partnership should not be used simply as a focus group or marketing opportunity where a variety of providers present their wares. Without a doubt, the public sector — technical colleges, Job Centers, schools, etc. — will be a key partner in developing solutions to the problems that industry leaders discuss. But, in a successful partnership, the energy and experience of a representative cross-section of the industry leaders should be harnessed so that new ideas, new relationships, and new approaches to problems will come to the fore.

The real aim of an industry partnership is to provide the infrastructure for an ongoing conversation among industry leaders.

Building on a Sectoral Foundation — Industry Focus Narrows the Conversation about Problems to a Practical Level

It is nearly impossible to discuss practical solutions that will work regardless of industry. Take, for example, entry-level recruitment issues being discussed by employers across the economic spectrum. Without a doubt, all will share this problem. But the source of the problem will also be diverse — part-time hours only, lack of training, or second shift shortages. Some time in the discussion will just be spent clarifying what "entry-level" really means. Conducting the conversation within a specific industry allows for a discussion with greater commonality and clarity and, as a result, problems can be more precisely defined.

Integrating Diverse but Closely Related Discussions — Industry Focus Develops Solutions Across Program Lines

While the industry focus can narrow the conversation of shared problems, the discussion of solutions will almost always cross public sector boundaries and help to integrate the responses of a range of programs on an industry basis. Private sector leaders generally know little of the categories of funding available from the public sector and they are rarely interested in the distinctions. Recruiting workers for the future, training the workers of today, and advancing technology and work systems to stay competitive are at the front of the private sector agenda. The industry partnership discussions of problems will naturally move from school to work to modernization concerns to the technical college on a single topic. The partnerships can provide a forum to help integrate diverse public programming.

Cooperative Prospects — Opportunities to Build Systems that Single Firms can't Build

Industry partnerships can also help build systems that single firms can't on their own. For example, three companies may each have a handful of workers who need some specific training. Curriculum development and delivery of training becomes affordable only if those companies find each other to set up the class. That is exactly the sort of opportunity that an industry partnership can help identify. Perhaps just as important, the partnership can also help develop the relationships and trust that these sorts of programs require.

Better Information on the Labor Market Today and Where it's going Tomorrow

The new economy, with its smaller firms, growing service sector, and rapid diffusion of technology is difficult to track. But information on occupational shortages, training gaps, wage shifts, and plans for the future are exactly the sorts of information that the public sector and current and future workers require to make plans. The partnerships help make some of that information more clear, and in ways that no amount of quantitative data could.

The Result of all these Factors? A More Unified and Involved Private Sector Voice

The partnership approach described here seeks to systematically develop a representative private sector voice on a range of issues confronting the industry. By engaging industry leaders in discussions and working to build new solutions, the partnerships can provide the public sector with the sort of input and information that they have been seeking for some time.

While the industry focus can narrow the conversation of shared problems, the discussion of solutions will almost always cross public sector boundaries and help to integrate the responses of a range of programs on an industry basis.

Greater than the Sum of its Parts: Using Industry Partnerships as Building Blocks for Workforce Development Boards

Imagine a world in which a region's most important sectors were organized in partnerships to work on labor force development and modernization issues. In such a world, representatives from those organizations could sit together on a regional labor market board to direct public sector resources devoted to training, education, and human services to workforce development and job connections (see following figure). This regional labor market board would be more representative of the regional economy, and members of the board would be responsible to their sectoral organization rather than to a single firm. Additionally, public sector systems from schools to welfare departments to technical training institutions could receive accurate information and projections of opportunity and skill requirements for the workforce.

## Partnerships to Improve Regional Labor Market Administration

Industry Partnerships in Practice:
in Practice:
Wisconsin
Lessons learned in Wisconsin

Hopefully by now you are at least curious about industry partnerships and the opportunities that developing them might open up to you. As emphasized in the last section, new partnerships can help solve the problems faced by workers and employers, but only if they bring firms, workers and the public sector together in a new alliance. This is ambitious, but experience in Milwaukee and Dane County suggests that such new alliances can be forged and "win-win" solutions can be developed.

Working with industry leaders from labor and management in Wisconsin has provided some sense of how these partnerships can be developed. The next section provides a much more detailed description of the work that has been done to develop these partnerships. Provided here is a brief overview of lessons learned in the process.

What it Takes to Develop a Partnership
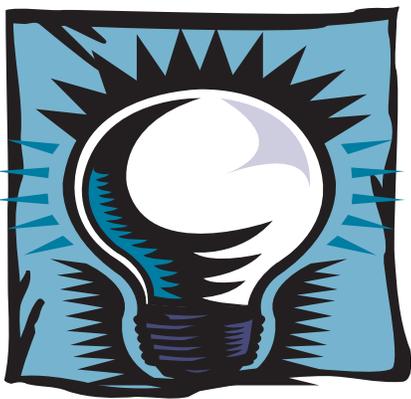
First, to develop a partnership, you need to keep in mind your goals. The result of the investigation and organizing process should be a partnership of private sector representatives that coalesces around building job and workforce quality in a specific industry.

To get there, you need to target a large enough industry that it is meaningful in your local labor market. You need to secure the interest and commitment of a large enough share of firms that the conversation seems real (people will often look around the room and decide whether they will come again on the basis of attendance, regardless of content). You need to understand the industry well enough that

you can identify those problems shared by multiple firms. With the foundation provided by an industry understanding, you need to leverage interest in conversations about possible solutions. And you need to keep the process interesting enough that people keep coming back. Time is also a factor. This is not a short term process; building this type of system from the ground up requires a significant commitment.

It is not an entirely easy, straightforward, or short-term task, where simply following a prescribed order of activity will ensure the desired outcome; too many variables come into play to make it an exact science. However, project development in Milwaukee and Dane County has provided some lessons which will probably be useful as others start new projects.

In this section, the lessons learned in key areas of partnership development are focused on: getting the right people together; developing projects that solve problems; recharging a fading partnership; and balancing acts required to keep the process going.

Getting the Right People Together

Identifying a Leading Industry

In any regional labor market, some industries stand out for their share of employment provided, the range of jobs available, and the leadership offered by their representatives. Selecting the key industries in a region is the foundation of starting a successful partnership. The target industry should be substantial, have some good jobs (probably alongside some worse ones), and have some interest in the conversation. If you can't get industry leaders to show up for a brief discussion, it will be hard to get them involved in a partnership.

In Milwaukee, there was not a specific process of choosing an industry; leaders in the metalworking industry were already looking for solutions. If any single industry defines Milwaukee, it is metalworking. From Harley Davidson to the hundreds of small shops that supply the city's large manufacturers, the industry stands out for the number of jobs and quality of jobs in the sector. In the early 1990's, manufacturers in Milwaukee faced a crisis. The sector had been hit hard in the 1980's, but was rebounding. Work was changing rapidly, however, and firms and unions saw common cause in the need to develop training systems for current and future workers. Those forces provided the impetus for founding the WRTP, leaders from labor and management helped drive the process, and research and design assistance from the Center on Wisconsin Strategy provided the foundation of knowledge required.

In Dane County, there was a more deliberate process of targeting industries. After conducting quantitative analysis and a series of focus groups, health care, finance & insurance, and manufacturing all stood out as possible targets. More specifically, for example, health care stood out for the
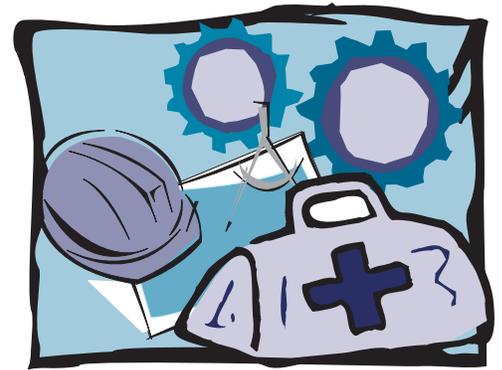
number of workers employed, rapid changes in industry structure, the obvious need for coordination across industry segments to develop career ladders for the workforce, and the willingness of employers and unions to participate in discussions.

As a first step, quantitative analysis can help give you a basic overview of area industries; keep an eye on those that are substantial, unique in the region, and growing or changing rapidly. Retirement or high average age in a workforce often presents a significant problem and opportunity, so attention needs to be paid to those factors as well. Informal discussions or focus groups with industry leaders (both from management and labor) can give you more specific information about important industries, and the infrastructure that pulls them together.

As a first step, quantitative analysis can help give you a basic overview of area industries; keep an eye on those that are substantial, unique in the region, and growing or changing rapidly.

Developing Insider Knowledge and Contacts

Once you have selected an industry (or series of industries), you need some real understanding of firms and where workers are in them (skill sets, occupational shortages, current advancement possibilities, and especially, of problems shared by multiple firms). Without this sort of detailed industry knowledge, it's difficult for outsiders to get respect and elicit trust in industries. Managers are under tremendous competitive pressure. Unless you know their business already, they don't have time to talk about how to improve its operation. And unless you know quite precisely what the skill sets in different jobs are, it's difficult to make creative suggestions about career transitions.

Knowledge and contacts were developed through a survey process in Dane County. In each of the three targeted industries — health care, finance & insurance, and manufacturing — a detailed survey was administered to representatives of 12-15 leading firms. These interviews built knowledge and relationships. After being surveyed, respondents are generally interested in hearing the results. The report on the survey provides them a chance to benchmark their own performance against the industry average.

Surveys of labor union representatives can also provide good information on trends in the industry. The WRTP conducts a needs assessment of area manufacturers in this manner. The most recent needs assessment made it clear that many firms are facing problems in the recruitment of entry-level workers and replacement of skilled manufacturing workers.

Focus groups and small meetings can also be used to develop support and leadership for the development of new partnerships. This process is devoted both to building knowledge and developing relationships. Pay close attention to the structure of work, common hiring practices, occupational shortages, and other challenges faced by firms. Noticing similarities across companies will provide leverage for building joint solutions.

Securing Participation from a Significant Number of Firms and Workforce Representatives in that Industry

If there are not enough people in the room, or if the people in the room do not represent a great enough share of the industry, leaders from both management and labor will not stick around for a discussion, no matter how good your knowledge of the industry. Of course, it's never easy to know how many is enough. Based on the experiences in Dane County and Milwaukee, at least 8-10 companies need be actively engaged in early conversations for

people to get excited about partnership development. Early on in the development of the partnerships, it is also important to secure the participation of representatives at the CEO or upper management level. Eventually, many companies will send representatives from their human resources department to attend the monthly meetings which is logical after the partnerships become more established. However, to build overall company support, upper management interest can be critical.

Securing the participation of one or two industry anchors can also be critical to making the project look important enough for others to participate. In Dane County, early commitment from the large insurance providers secured the interest of smaller insurance companies. When one hospital participates, others are more likely to follow along. In Milwaukee, large metalworking firms founded the WRTP but it has grown over time to include firms of all sizes.

In Dane County, the development of a manufacturing partnership stalled because the discussion series involved too few companies. In the first set of discussions, fewer than five management or labor representatives participated in any given meeting. Small meetings beget smaller meetings in the future, as more representatives decide the process is not serious enough or significant enough to develop real projects. (Turning around that decline is discussed in the section on restarting processes, below.)

Overcoming Barriers Between Union and Non-Union Firms

Firms in the same sector are often competitors and a number of barriers divide them. Unionization is one such barrier; union and non-union companies may have a difficult time seeing enough similarity on human resource issues to have a fruitful exchange. Worse still, non-union companies may perceive the partnership as a ploy for organizing their work site. Because unions have a strong interest in preserving and improving their members jobs, and because unions can contribute significantly to these programs by identifying skill gaps, training needs, and peer networks for workers in training, it is important that they be involved in the process. But it is also critical to make it clear to representatives of unions, unionized companies, and non-union companies that the agenda of the partnership needs to be jointly developed and jointly owned. As firm and workforce representatives are brought into the discussion, it may be most important to be clear and open about the divisions, establish the parameters of discussion, and then move forward so that trust can be developed in the process of developing projects.

In Dane County, unions, union companies, and non-union companies are active participants in partnerships. All agree on the partnership focus on quality jobs and a quality workforce in the respective industries. That common agenda provides the framework for discussions between individuals that may not have had civil conversations in the past. In the partnership, however, trust has developed as projects have been started and completed successfully. For starters, it was enough to share a common agenda.

In the WRTP, unions and union companies have played a more central role in the process, but, again, both union and non-union companies participate. The organizing priority there is commitment to the WRTP agenda of enhancing Milwaukee's base of family supporting manufacturing jobs.

As firm and workforce representatives are brought into the discussion, it may be most important to be clear and open about divisions, establish the parameters of discussion, and then move forward so that trust can be developed in the process of developing projects.

Facilitating a Series of Discussions which Build Relationships and Trust

Building a partnership requires the development of real relationships with participating firms and among those firms to implement solutions, so that new ideas can be developed and "owned" together. Business is as much about relationships as the products traded in them. If there's no real trust in the relationship, there won't be much willingness to consider different terms of trade or modulation of products beyond the existing market signal. The same goes for policy innovation. To get firms to try something new requires that they have confidence in the people suggesting that new strategy — and some confidence that pursuing it won't lead to their being "suckered."

In Dane County, after introducing the idea of the partnerships, people were asked to pledge to a four part discussion series that preceded the founding of the partnerships. This allowed for a process that could build interest and trust over time, without presuming a commitment to an ongoing structure after only one meeting. At the end of those discussions, which focused principally on areas of activity but also included some governance issues, the partnerships were founded.

> *Building a partnership requires the development of real relationships with participating firms and among those firms to implement solutions, so that new ideas can be developed and "owned" together.*

Building Projects that Work: Three Common Targets for Starting Out

The best means of preserving the momentum of a partnership is to use it to develop projects that serve the needs of the industry. Early identification of projects that can work and real progress on project development can keep the energy and participation high. Though every region and every industry is different, there's a set of problems that the industry studies commonly reveal. The identification of those problems provides the leverage required for building a partnership. Solutions to those problems will be the natural first areas for activity of new partnerships. Here three common areas of activity are discussed: solving occupational shortages; improving incumbent worker training systems; and developing entry-level worker projects.

1. Identify Occupational Shortages and Build New Systems to Fill Them

Many industries face significant shortages in key occupations. For example, the finance & insurance industry in Dane County identified a shortage of mainframe computer programmers (a shortage that is likely shared in your area). The shortage is so intense that companies collectively announced more than 100 current openings. Retention of current staff is

difficult and companies find themselves recruiting programmers back and forth. Companies only looked to the external market for programmers, however, and few had any programs to develop their own staff (who already have good product knowledge and user experience on systems) to move into the technical fields. With leadership from MATC on curriculum development and some facilitation of the required conversations and agreements by COWS, a sixteen-week training program for "programmer trainees" was designed. Students, often "topped out" as customer service representatives and clerks, were recruited from and screened by companies who then paid for the training plus wages during training. Fifteen students have already graduated from the class and a second class started in late October 1998.

The programmer shortage is glaring in many labor markets, but there are other opportunities that deeper investigation might uncover. For example, Dane County hospitals and clinics have recently had a hard time finding people trained to draw blood. Again, the partnership helped identify the occupational shortage and worked with MATC to develop a short-term training course. Area health care providers sent students to the course. In this instance, training occurs outside of work hours, so wages are not covered for training, but the opportunity for advancement is matched up against an occupational shortage to solve firm problems by increasing workforce opportunities.

The general principal on occupational shortages is obvious. The partnership can help identify the need and identify how large the shortage is. Working with the technical college system, you need to develop some practical ideas on how current workers without options (but with relevant skills) could be prepared to move into occupational shortage areas. The partnership needs respond to and develop that idea so that firms are prepared to participate by sending students. It's important to remember that, because of the pressure that they're under, managers typically don't spend much time thinking about how to increase the value of lower-end employees. They naturally concentrate instead on those with greater marketing or production leverage, and seek to fill existing gaps in higher-end jobs through better recruitment strategies, rather than "growing our own." To get career-advancement opportunity for those dead-ended in low-wage jobs, you have to show how that might happen.

2. Improve Incumbent Training Systems

In the competitive world of modern business, change is a fact of life. Managers often spend the bulk of their time trying to keep up with trends in the market, changes in technology and process control, and shifts in corporate strategy. All of these forces directly impact workers. It is the firms that understand that and prepare workers to adapt to and to contribute to the response that will come out in front.

All firms have some form of training for incumbent workers, whether it is formal or not, and most firms are looking for ways to improve those systems. A partnership can contribute directly to the development and improvement of training systems. First, partnerships can provide a forum for labor and management to learn about regional best practices in training. Site visits, discussion groups, and informal contacts made can provide the information that keeps firms from reinventing the wheel as new systems are developed. Second, partnerships provide an infrastructure for developing incumbent training projects that might not otherwise be developed. This may be espe-

All firms have some form of training for incumbent workers, whether it is formal or not, and most firms are looking for ways to improve those systems.

cially useful as regions attempt to implement skill standards. Private sector leaders can discuss minimum requirements and work with technical colleges to design the training that will meet those requirements. It's simply more efficient to develop a program once for many firms. And the workforce gains because they know that their training is not so narrowly customized.

The WRTP provides infrastructure and support for developing incumbent training systems, especially workplace education centers. Among the services the WRTP contributes are opportunities for management and labor to learn from their peers on development and administration of workplace education centers, referral to resources for developing centers, and facilitation of a "peer advisor network" of shop floor workers who encourage use of the workplace education centers. For smaller companies, who cannot afford to develop their own workplace education center, the WRTP has provided the network of contacts needed for a shared workplace education center. In all these ways, the WRTP has contributed to the development of new training systems for incumbent workers.

3. Recruit Entry-Level Workers

In Wisconsin's low-unemployment environment, entry-level jobs are abundant. Companies, even those offering family supporting wages, face high recruitment costs and high turnover rates. At the same time, of course, thousands of workers in the state feel trapped in low-wage temporary, contingent and part-time work. Bridging the gap between these two groups is an obvious focus for project development. The figure below shows the system for bridging the gap and the division of labor between the supply side and the demand side of the labor market.

This is the system that has been used for the Milwaukee Jobs Initiative. A real key is to develop a system where each player does what they do best. Special attention should be paid to getting information on job prospects out into the community; developing realistic orientation activities including site visits and job shadowing; finding means to fund short-term training if required; and developing systems, like buddy systems, inside the companies so that new workers have a support system to rely on.

Build systems that bridge the gap between good jobs in the community and workers that are trapped in "dead end" jobs.

Community-Employer Linked Training

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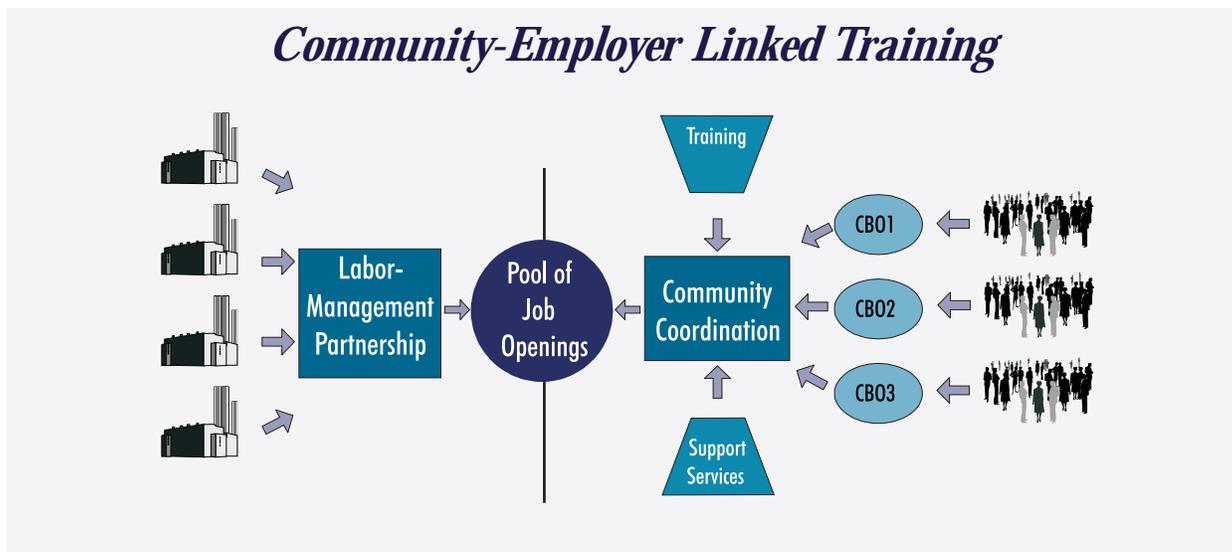
Avoiding Common Pitfalls

Partnership development and facilitation requires knowledge, energy, and progress. It also requires some delicate balancing acts to keep the project going:

Encourage Private Sector Leadership, but Support the Process

The most important partnership principal is that it should be private sector led. Managers and workforce representatives should think of the partnership as the infrastructure for their conversation on industry needs. As the programmer trainee project was designed, one member said, "I've seen a lot of efforts on this problem, but none of them have ever resulted in anything. I think that's because no one ever made the industry stand up and get involved. With this project, we're in the drivers seat and that makes a huge difference."

You do want the private sector to direct the agenda. But you need to support and facilitate the process to keep things moving. This means being prompt with materials, sending out meeting notices, following up on questions asked during meetings, and other means of pushing projects along. The necessary balance then, is for the facilitating body to do the work that keeps things moving along but without running ahead of the priorities of the partnership itself.

The most important partnership principal is that it should be private sector led.

Keep an Agenda in Mind, while Allowing Responses to Concerns

There are a number of ways to respond to human resource and training problems. For example, one way to fill vacancies is to recruit workers from other regions or countries. The partnership, however, should be focused on responses that build up opportunities for workers in the region as they respond to firms' needs. As occupational shortages are identified, the facilitator needs to help keep the focus on creative solutions that involve capitalizing on and developing skills of the current workforce.

The balance required here is to help push the conversation toward solutions that increase skills and develop career ladders while allowing firms to discuss a range of options. Workforce representatives are an important ally in ensuring this focus.

Focus on a Short-Term Win, but be Sure to Keep the Long-Term in Mind

You want to find a short-term project that can be successfully completed. However, you want to build a partnership that thinks of itself as an ongoing structure, not an ad hoc committee to solve a single problem. Also, any given short-term project will likely be interesting to some and less interesting to others. By keeping the focus a bit wider, you can keep the interest of partici-

pants who will be more interested in the next project. One way to deal with this balance is to keep items of general interest on the agenda, even as you push project development forward. Another strategy is to develop a sub-committee for project development that will update the partnership on progress. Whatever structure you choose to use, you need to keep the project moving without forgetting the broader ambition of the partnership and the interests of the range of firms involved in it.

Starting Again: Some Thoughts on Restarting the Process when it Fails

Experience in Wisconsin has not simply been a series of successes. In fact, for lack of active participation, the Dane County Manufacturing partnership faltered and nearly expired during its opening discussion series. In order to turn the process around, working with firms that had participated in the discussion series, the key questions were identified that were limiting participation and responses were prepared to those. The following sheet was circulated to area manufacturers in advance of a conference, hosted by area manufacturing firms.

This sheet, a conference brochure, and phone calls to friends by industry leaders were all used to recruit participation in the fall conference. That conference attracted more than 50 people representing at least 35 firms. Of those, more than 20 agreed to participate in the Dane County Manufacturing Partnership. With the conference as a base, the work in manufacturing has been able to continue.

Generally, it is probably better to highlight contentious issues that confront a partnership than to try to sweep them under the rug. That doesn't mean you'll always get agreement, but it does mean that the conversation can be open and participants feel engaged.

Example

Dane County Economic Summit Council — Building Jobs with a Future

Why would I want to be involved in THAT? **Dane County Manufacturing Partnership FAQ Sheet**

What's the basic idea?

The idea is to get Dane County manufacturers organized to become world-class, and to learn from each other as you do so. A Dane County Manufacturing Partnership, focused on training, work organization, and skill development issues in the industry, would be the intermediary that could help make this happen. The Partnership can develop solutions to the problems that your firm faces everyday. For example, the Partnership could develop a work-readiness screening program that could help you attract the reliable workers you want. Or, by learning about best practice for incumbent worker training systems, you can avoid making costly mistakes as you try to position your firm for world-class competition. Or, by speaking as a group of manufacturers rather than just yourself, you can get better service from MATC and other local training providers. And, working together, you can improve the image of manufacturing in Dane County, attracting a better class of worker. Individual firms alone cannot make this happen; a collaborative effort of organizations within industries is required.

Sounds good, but has this ever been done before?

In Milwaukee, more than 40 leading manufacturers are members of the Wisconsin Regional Training Partnership (WRTP). As members of the nation's largest and most successful high performance regional partnership, they are committed to securing and expanding family supporting jobs in Milwaukee's vibrant durable goods manufacturing sector. The WRTP focuses on improving incumbent worker training systems, assisting in modernization of technology and work organization, and developing Milwaukee's next generation of manufacturing workers. Sometimes members develop projects together, sometimes they simply learn from one another, but always the focus is on improving workforce and job quality for the region's manufacturers. The Dane County Economic Summit Council is impressed with what the WRTP has done for both workers and firms in Milwaukee and is interested in exploring the promise of such an organization in Dane County.

My firm is unique, what could we learn from other firms that improve the bottom line at my own?

It is true that each firm is unique, but firms also face those common problems we just mentioned. And in Dane County in particular, the tight labor market poses a real problem for manufacturers. Like the song says, "you're not alone." Some firms have met challenges like the ones you're facing — be they in recruitment, training, retaining good workers, modernizing their facilities, reorganizing for team production, changing compensation systems to encourage productivity. Wouldn't you like to be able to learn from them, find out what works and what doesn't? The firms in the WRTP — each of which is also unique — have found this cross-firm learning of enormous, time-saving, cost-saving, use. In Milwaukee, firms participating in the WRTP have found that it improves their productivity and bottom line. That's why they're in it!

Won't this require me to give up my best workers to other employers with higher paying jobs?

What?! Certainly not. The goal is for you to be able to retain and improve your best workers, not lose them. More broadly, our goal is to build the quality of manufacturing in the Dane Metro area by building cooperation in solving common problems that manufacturers face.

I'm non-union and want to stay that way. Won't this open me up to organizing and give unions access to my workforce?

Again, certainly not. The proposed high performance regional partnership is neutral ground. Union and non-union companies both need to be active in shaping the agenda of the partnership. Because issues that the partnership will deal with are so closely related to the shop floor, in organized companies labor and management both need to agree to work jointly on projects. For non-union companies, management representatives should be willing to work with a membership of industry and union leaders but can be sure that this partnership is not a forum for organizing. The members of the partnership will control its focus and its projects. The only prerequisite for participation is an interest in developing quality jobs and a quality workforce in Dane County manufacturing.

Ok, I'm interested, but won't it cost a lot of money?

Not really. Some of your time, but not a lot of money. And in the next year, in fact, no money at all. During that period, as the Manufacturing Consortium gets started, the Dane County Economic Summit Council (ESC) and staff at UW-Madison's Center on Wisconsin Strategy will provide all needed staffing. If the Partnership proves worthwhile and you want to stay in it, member firms would then assume the (modest) administrative costs.

What is the Economic Summit Council?

The Dane County Economic Summit Council (ESC) is a blue-ribbon commission focusing on jobs and economic development in Dane County. Members of the ESC include the Dane County Executive, Mayor of Madison, Chancellor of the UW, President of MATC, Superintendent MMSD, President of the South Central Federation of Labor, and executive leadership from the Chamber of Commerce, United Way of Dane County, area manufacturers, health care, law, construction, hospitality companies.

Unintended Consequences: Prepare to be Surprised

Walking into the process, the individual or team that convenes the discussion may have some ideas about what is possible and what will happen. And, in fact, many of those ideas may get taken up by the partnership as it works together. But in Dane County, there have been many surprises along the way as well and connections and discussions get started that pay-off in unanticipated ways. These unintended effects can often be quite positive:

... there have been many surprises along the way as well and connections and discussions get started that pay-off in unanticipated ways.

❖ One company that was laying-off staff connected with another that was hiring in that very field.
❖ Two health care companies realized they were serving individuals in the same area and worked together on means of better coordinating the work.
❖ A union representative helped connect a former member with a new job in a partnership company.
❖ The technical college made a good connection with a partnership firm and developed new customized courses for that firm.
❖ School to work representatives found externship placements for teachers and internship placements for students.
❖ Companies shared information on the value of management consulting services they had used.
❖ Companies requested tours of the Job Center and developed independent contacts with Job Center staff.

Also, as discussions progress, models have shifted significantly based on the demands and needs of both firms and workers. For example, after working with MATC and partnership firms to build the 16 week intensive Programmer Trainee program, we imagined that future programs with MATC would look fairly similar: intensive, day-time programs, with both training and the student's wage during training covered by sponsoring firms. But, obviously, what is possible and practical in programmer training is out of the question when it comes to other occupations. For the phlebotomy program, a single firm sponsored the class, but students could be paid for by other organizations or they could pay their own way. The class took place after work hours. Finally, the best solution to increasing the number of medical transcriptionists was to simply increase the number of weekend sections that MATC offered. The Health Care Partnership was able to help identify and recruit an instructor for the extra section.

A strong and active partnership will consistently challenge those who convene it to rework assumptions and get to applicable solutions. A dynamic discussion with industry participation can be difficult at times, because it will

call into question presumptions about "the way it always is" or "the way things have to be." But the solutions generated will not only enjoy industry support, but also be better solutions to problems in the labor market. Projects and programs will evolve and the interest of some members will wax and wane depending on the topic at hand, but if the partnership becomes a place where new connections are made and new solutions are forged, then it can survive changes and respond to the challenges.

Part 2...

Building
Industry
Partnerships:
Putting the
Theory
to Work

Getting Started:
an Overview

W hile the first two sections of the report described the theory behind industry partnerships and lessons learned from others who have built such partnerships, this portion of the report highlights the major components of organizing and supporting an industry-based partnership.

The Time Commitment

Before embarking on a project of this sort, groups should be forewarned that it can be a time consuming process and to build it from the ground up does require a long time horizon. If you are starting from scratch, the building process may take more than a year, but this is necessary to provide a sufficient foundation of commitment by all of the parties involved. If you can build on existing infrastructure and connections, you may be able to move quite a bit more quickly.

To give a sense of the scope and range of activities, the timeline below corresponds to the steps in the rest of the book. This timeline provides a guide for organizers so that too much or too little time does not elapse between steps. But obviously, every situation is unique. Try to remain flexible and open to opportunities. If there is a lot of industry energy to attend a series of meetings on a specific topic, before the industry analysis is complete, it makes sense to do that.

While the process we describe is time consuming, some elements are also straight forward. Quite simply, you need to get enough industry information to identify shared problems and enough industry buy-in to convince leaders to work together in solving those problems. Employer associations and labor unions often know the broad concerns within industry and can leverage participation of leaders. Regardless of the source of information, from survey to association, we've found that identifying a common problem to motivate participation in a specific industry is quite doable.

January ●●●● Select Group to Facilitate Project

Organize and convene public, private and non-profit sector representatives to serve as project steering committee. Initial selection can lend legitimacy to the project and create widespread support for future activities.

March ●●●● Technical assistance provider chosen by steering committee

The TA provider will be responsible for initial research and coordinating activities of the project as well as the regular maintenance of partnerships. Note that this group can be the whole or a subset of the steering committee or a completely independent group

May ●●●● TA provider prepares feasibility study and presents to steering committee – decision to proceed or alter project is made

August ●●●● Choose individuals to serve as study teams that will facilitate industry analyses

October ●●●● Industry studies begin

Quantitative analysis of labor market. Focus groups with employer and worker representatives in prominent industry sectors. Interviews of policy makers and training providers. Review of best practices from around country.

April ●●●● TA providers and Steering Committee hold Kick – Off conference to present industry studies

June ●●●● Discussion series begins – Meeting #1

Week 2

For convenience of facilitators, if there is more than one industry partnership, it's suggested that all meetings be held the same day at the same location – for example, in Dane County, the Finance and Insurance Sector met from 9:00 am - 11:00 am, the Health Care Sector met from 11:30 to 1:30 and the Manufacturing Sector met from 2:00 to 4:00 pm.

Agenda items could include getting acquainted, reviewing administrative details on the discussion series, concerns about the process, meeting goals and agendas, and location.

Week 4

Discussion series continues – Meeting #2

Agenda items could include project development on common industry problems such as solving occupational shortages through modularized training or recruiting new workers into the industry.

Discussion series continues – Meeting #3

Agenda items could include working or committee group development and governance issues.

Discussion series concludes – Meeting #4

Agenda items could include a formal sign-on to partnership and discussion of next steps.

Status Report on discussion series

Decisions made on any modifications that may be needed.

Monthly meetings begin

It is also suggested that each sector meet on the same day and at the same time every month. For example, in Dane County, the Health Care Partnership meets on the third Thursday of every month, the Finance and Insurance Partnership on the second Tuesday of every month, and after the Manufacturing Partnership was firmly established, they decided to meet on the third Friday of every month.

In some instances, there may be other events that have to be built in to this timeline. If there is a lack of interest in one or more of the sectors, additional events may have to be planned for. One example of this is the manufacturing partnership. As a result of low attendance in the summer discussion series, the TA providers decided to plan a manufacturing conference for early fall to stimulate more interest. They kept those firms that had attended the meeting series involved by holding a conference planning meeting.

Meetings continue on a monthly basis

Developing a Team to Lead the Process

The project we describe here involves a wide range of activities. The more academic tasks include quantitative analyses of key regional sectors, focus groups with firm and workforce representatives, survey instrument development, interviews of human resource managers and training providers, survey analysis and report writing. At the same time, however, many of the tasks have more to do with organizing and building relationships than with simply gathering information. Familiarity with the local training and

education infrastructure is required; firm leaders that are politically influential (the ones that others will follow) need to be identified recruited and involved; analysis needs to be presented with a series of practical recommendations for action; partnerships need to be forged with public sector service providers and with private sector union, human resource, training, and productions personnel. Additionally, those who drive the process need to stay focused on the long-term goals of partnership development and need to push the discussion and program. Research skills, organizational skills, and a strong vision of the end result are all required.

Importantly, these elements of the work should be closely integrated and build on each other. It may be that it will be difficult to find one person to conduct all these tasks, but at least one person involved in the process needs to be integrating the work at all levels, paying attention to the political and economic dynamics of local sectors. An academic who is interested only in the intellectual process of problem identification will be no more appropriate as a lead person than a facilitator used to focusing simply on group dynamics. The lead person on that team should be responsible for integrating the information and driving the development of the partnership.

Bringing the Right People to the Table

The project requires not only good staff, but also strong private sector buy-in from the start.

The project requires not only good staff, but also strong private sector buy-in from the start. In Dane County, the Economic Summit Council (including the County Executive, the Mayor of Madison, and leaders from the business community) supported the development of the Jobs With a Future Partnerships

from the start. ESC members encouraged participation in focus groups and interviews by speaking to friends, brainstorming recruitment lists, and signing letters to CEOs. They provided a forum for community attention and discussion of the ideas behind the project. They helped revise concepts and supported applications for grants to support the work. This leadership was critical especially in the early stages of project development when access to industry leaders must be secured.

As the process continues, you'll want to engage in discussions with large and small companies, and with HR managers and CEOs. In some instances, it is the community leadership support of the project that will get you access to CEOs and larger firms. It will be important in the process to identify key firms early on, and find means of recruiting the support of those key firms. In one instance in Dane County, a key hospital did not participate until one of the community partners spoke to the hospital CEO (who served on that partner's board). Since that nudge, the hospital has been a very active

participant in program and project development. Moreover, with that hospital in the room, other smaller organizations are willing to commit more time. While we discuss below some of the systematic means of targeting and recruiting participants, you should note from the outset that personal connections should be used and that the participation of large companies can often leverage the interest of smaller ones.

Finally, as the process generates more interest, you may find that multiple community based organizations and public sector representatives want to participate in the project. Their participation is a benefit to the partnership when the services they provide (or could provide) relate directly to partnership priorities. When companies are looking for new ways to reach underemployed workers, the Job Center and community based organizations should be part of the discussion. When training is required, the technical colleges need to participate in the discussion. As these issues commonly come up in the Dane County Partnerships, MATC and Job Center representatives have consistently participated in partnership meetings.

There is, however, a delicate balance to maintain. You want to ensure private sector ownership of the project. In Dane County, we have tried to keep public sector and community participation limited to specific contribution and program interest. Consistent participation of key representatives has helped develop good programs and good relationships. You want to avoid an endless stream of multiple and changing representatives from various community or public sector partners. When community and public sector faces outnumber the private sector faces in a room, company representatives are likely to feel that the project is neither unique nor positive. Participation will fall.

The steps described in the rest of the document should be viewed as inter-related and not necessarily linear steps, although clearly the first set of issues must be addressed before tackling the second set. However, every labor market area is different, and these differences should be taken into account when establishing a partnership in your region. For example, in Dane County, our process was aided by a low unemployment rate and the fact that area employers were facing critical occupational shortages.

As Terri Bergman points out in "Approaches to Forming a Learning Consortium," organizing and supporting a partnership is often a dynamic and inexact process. There are no formulas or clear-cut ways to address all the issues. Furthermore, the process is typically forgiving; if mistakes are made along the way they can be corrected more often than not. This guide simply highlights the most critical issues to address when building an industry partnership, with the understanding that the process is at least as much art as it is a science.

Throughout this section, the experience of establishing industry-based partnerships in the Dane County and Milwaukee regional labor markets will be drawn upon, and the insights of other experienced practitioners will be called upon as well. Concrete examples along the way are provided, in order to further illustrate the key issues as they are described.

You will note that this section only guides you through the process of establishing one partnership. However, in Dane County the three partnerships were actually established at once, and you may want to do the same. As discussed in the previous sections, having more than one partnership can be extremely beneficial in addressing more than one area of the labor market, forging public and private sector connections, and highlighting career ladders and opportunities for low-wage workers.

6 Steps for Organizing the Partnerships
♦ *Conducting a feasibility study*
♦ *Analyzing the local labor market*
♦ *Identifying industry sectors to target*
♦ *Surveying the industry to assess needs*
♦ *Using the industry survey as an organizing tool*
♦ *Designing a kick-off conference*

For more details, see next section.

4 Steps for Supporting the Partnerships
♦ *Building a discussion series to maintain commitment*
♦ *Month-to-month operation of the partnership*
♦ *Using the partnership to connect low-wage workers with family supporting jobs*
♦ *Evaluating success*

For more details, see the last section of this report.

Organizing
the
Partnership

Conducting a Feasibility Study: Identifying Interest and Needs

Conducting a Feasibility Study

- ◆ *Be clear about your goals*
- ◆ *Study other partnerships*
  - ♦ *Learn what others have tried*
  - ♦ *Find out what has worked and what hasn't*
- ◆ *Know your local economy*
  - ♦ *Understand which businesses and industries are key*
  - ♦ *Know what education and training resources are available*
- ◆ *Determine what's out there*
  - ♦ *What associations and organizations already exist in your area*
  - ♦ *Who could benefit from the partnership*

A first critical step in organizing an industry partnership is conducting a feasibility study. This sort of study should provide a good overview of leading sectors in the area, key labor market problems and shortages, the employment and training infrastructure in the community, and the most likely targets for partnership development. The intent of this work is to identify what industries will be most appropriate for partnership development.

With good information or strong industry infrastructure on the ground, it may be possible to skip this step entirely and go on directly to more focused discussion with leaders in specific industries. However, this step is especially important for developing broad community buy-in to the idea of partnership development and the feasibility study can help provide a common vision for the real outcomes that partnerships should secure.

In conducting a feasibility study, consider the following questions:

- ❖ What is the local labor market like in terms of employment, local distinctiveness, and growth?
- ❖ What are the key industries in the area and key firms or figures that lead the private sector?
- ❖ What infrastructure for training and education exists in the area, both inside and outside of firms?
- ❖ What local industries are being most significantly challenged by rapid technological or economic change?
- ❖ What are the barriers to establishing a partnership in your region?
- ❖ What local strengths can you draw on?

Center on Wisconsin Strategy's Feasibility Study of Dane County

In 1995, the Dane County Board of Supervisors reconstituted the Economic Summit Council — a blue-ribbon commission comprised of leaders from Dane County business, labor, public, and non-profit sectors. The Summit Council is charged with developing a strategic vision for economic and workforce development in Dane County. One element of this plan is exploring a community career-ladder project to make "jobs with a future" available to all Dane County residents.

The Summit Council asked the Center on Wisconsin Strategy (COWS) at the University of Wisconsin Madison to help assess the feasibility of the goal of making "jobs with a future" a more widely shared reality. For this career ladder feasibility study, COWS reviewed best practices from around the country, conducted a detailed analysis of local labor market conditions, and held a series of focus groups with representatives from leading sectors in Dane County. COWS's research indicated that the manufacturing, health care, and finance & insurance sectors showed potential for project development.

In order to answer these questions, develop a general understanding of the local labor market, and determine what associations and organizations already exist that could benefit from an industry-based partnership. It's important to have a clear purpose and basic knowledge about the region's economy before moving on to a more in-depth analysis of the local labor market.

Quantitative Information on the Local Labor Market

Intelligent sectoral targeting requires some basic labor market analysis. The first question should be, "What geographic area most closely defines the 'regional labor market'?" Generally, a region will have a central labor market with a number of commuters coming into that area. The region should be defined functionally, by studying commuting patterns in order to identify the labor market. Given data constraints, as you embark on this process, you will probably need to settle for county borders and include counties which are generally perceived as constituting a single labor market.

Once geographic boundaries are defined, data from the Census Bureau's County Business Patterns and the state's labor department or its

Analyzing the Local Labor Market: Three Steps

♦ *Define the regional market*

♦ *Gather data from reliable public and private sources, including state and local agencies, employment department, Census Bureau and Dun & Bradstreet*

♦ *Analyze the data and document the key characteristics of the economy*

Dane County Labor Market Overview

One part of COWS' career ladder feasibility study was a Labor Market Overviews. The document presented data on industry growth, industry concentration, industry size, and the share of occupations paying good wages at a fairly specific industrial level. For the report's quantitative review of workforce characteristics in Dane County, the primary source of data used was Census data. For the review of labor demand, a special set of data was used from the Wisconsin Department of Workforce Development to chart the growth, concentration, and size of different sectors of the economy (County Business Patterns data would provide similar, slightly more outdated information for any county in the nation). The state's data was augmented with Dun & Bradstreet data on the leading firms in Dane County's most important sectors. Finally, the state's occupational wage survey was used to identify the range of wages paid in Dane County's sectors.

equivalent can be used to draw a more complete picture of the economy. At a minimum, this requires documentation of:

❖ Size of the labor force over time
❖ Unemployment over time
❖ Regional distribution of employment and changes in that distribution over time
❖ Employment in various sectors and changes in that employment over time
❖ Breakdowns of major industry groups (i.e., manufacturing) into sub-groups (i.e., instruments and related products)
❖ Regional specialization on a detailed sectoral level
❖ Information on common occupations and associated wages on a detailed sectoral level
❖ Largest employers in important sectors

Identifying Industries to Target

Qualities of Target Industries
♦ *Important for the overall economy*
♦ *Interested and willing to take leadership*
♦ *Needy of joint solutions to human resource or training problems*

Beside gathering the quantitative data described above, qualitative analysis is also required in order to identify sectors that might participate in the project. Sectors identified must be important, willing, and needy. "Important" is defined in terms of total employment, wages offered, and potential for future jobs (notice that overall growth is important in this case, but turn-over of an aging workforce can be critical as well). "Willing" means that key stakeholders would be interested in the idea, would come to meetings, and would eventually take leadership of the project. "Needy" means having some human resource or training problems which all firms face but none alone can solve very efficiently.

To help get at these issues for various industries, you can hold focus groups, informal discussions and/or formal interviews with industry leaders, workforce representatives and employment and training providers in the area.

Conducting focus groups

Focus groups can be organized along the lines of key sectors such as health care, high tech manufacturing and business services. The goal is to gather additional information about industry needs, human resource problems, and career ladder opportunities within sectors.

Our experience has shown that during this early phase of the project, trust and interest grows among firms as information is shared and gathered. That foundation of trust and interest is of great value later on in the project.

A general focus group session format includes:

❖ Explanation of the idea of sectoral partnerships
❖ Discussion of the sorts of problems that such partnerships can solve
❖ Roundtable discussion of reactions to the idea
❖ Discussion of relevance to their own firms
❖ Identification of obstacles to developing such a partnership locally
❖ Agreement to be contacted as project moves ahead
   Once the general industrial targets are identified, it is important to

Example

Dane County Industry Focus Groups

In Dane County, representatives of more than sixty local employers were contacted who had expressed interest in participating in discussions and design of a community career-ladder program. Fifty-two of the firms contacted participated in an initial discussion of the idea. Forty employers participated in a series of seven focus groups, each organized along the lines of key sectors: health care; social services; finance, insurance, and business services; manufacturing; high tech manufacturing and services; hospitality; and public sector employment. In each of these focus groups, employer representatives discussed critical human resource problems in their firms. These discussions revealed some of the shared needs within sectors and the appropriateness of the career ladder concept to each sector. An additional focus group was conducted with leaders from ten unions, which represent workers in public and private jobs. Finally, a number of conversations were held with other interested employers, industry representatives, training providers, and educators about the career ladder concept.

One key to the success of the focus group process was the leadership of the Economic Summit Council. The mayor, the county executive, and the director of the Chamber of Commerce all signed the letter inviting participation in the focus group session. As a result of this quantitative and qualitative analysis of conditions in the Dane County labor market, it was recommended to the Economic Summit Council that it pursue development of industry partnerships in three leading sectors — health care, finance and insurance, and manufacturing.

Surveying Industries to Assess Needs

develop a more detailed understanding of each industry. Surveys can be used to help narrow down which industry to target for a partnership. Surveys can also be used to "get inside" the industry and identify the human resource problems that firms face. Some of the identified problems will be unique to individual firms; many of the problems will be shared by several firms.

Who do you target and why?

In each industry, develop a list of leading employers and use public and private sector contacts to identify likely participants in a survey. Seek managers in human resources, training, and production (for manufacturing) to interview. The goal is not to construct a "statistically-representative sample" of the industry, but to make sure you talk to major players in the industry.

Larger and more important firms should be targeted for practical reasons – you get at a larger segment of the labor market – but also because a cooperative solution to common problems won't work without the inclusion of the most important employers in the local market.

Developing Effective Surveys

Surveys should ask firms for at least the following information:
❖ Size of firm
❖ Corporate structure
❖ Sub-contracting for services
❖ Employment in specific job categories
  ◆ Entry-level jobs, second-level jobs, etc.
  ◆ Job titles
  ◆ Average starting wages and benefits
❖ Qualifications for jobs in specific categories
  ◆ Educational attainment
  ◆ License/certification
  ◆ Specific skill sets
❖ Means of advancing inside the company
  ◆ Training needed
  ◆ Existing career ladder resources
  ◆ Barriers to hiring/promotion
❖ Employment growth, turnover
❖ Existing initiatives, resources and means for creating career ladders
❖ Willingness/Capacity to work with public system

When replicating/adapting this process, it is useful to remember that

each sector will have unique problems, and surveys should be designed with some basic understanding of major job titles and likely problems. The focus groups and national studies done earlier help to provide this sort of background.

Example

Excerpts from the Dane County Finance & Insurance Survey

Below are excerpts from the Dane County Finance and Insurance Survey (for full survey see appendix). Notice that there is substantial room for discussion in the surveys. Often the open-ended questions revealed the most important issues.

What is the total workforce at this facility? _____
What was it in 1990? _____
How does it break down between supervisory/managerial employees? _____
Non-supervisory employees? _____

What is the breakdown of workers by department? If this is an illogical way to break down departments in your firm, or if you have additional departments, please feel free to do it in whatever way you see fit.
_____ Managerial/officers
_____ Data/item processing/MIS
_____ Sales and services
_____ Claims processing
_____ Administrative/HR/Accounting
_____ Other (please indicate _____)

Please estimate the average age, seniority, percentage of female employees and wages in each major department.

Please indicate department _____
Average age _____
Average tenure _____
Percent Female _____
Average wage _____

Please indicate which skills you consider particularly important for new employees.
___mathematical skills
___reading skills
___writing skills
___computer knowledge
___interpersonal skills/ ability to interact with others
___thinking skills/ problem solving
___communication skills
___work ethic/motivation
___ability to be flexible
___general understanding of the industry
___typing/clerical skills
___industry specific knowledge
___other (please specify_____)

Do you have an in-house training department?   How large is the training budget?

What percentage of workers are currently involved in some sort of training, including tuition reimbursement for college/vocational courses?

Using the Survey as an Organizing Tool

Writing up the Results

The industry survey should be used to develop a strong understanding of industry and to develop contacts with industry leaders. Writing up the results of the survey provides project leaders with a chance to carefully consider and analyze the results.

The written report should include basic overview statistics on the industry (number of firms, number of jobs, etc.), but the theme that should be emphasized is the human resource, training, or recruitment problems that are shared across the industry. However, don't stretch to force commonality where there is none. The written report will only be useful if industry representatives see their own concerns reported in a broader context.

Toward the end of the report, a series of recommendations on how shared problems might be solved should be included. Highlighting local best practices in response to common industry problems is one way to display the obvious gains to partnerships.

Sharing Survey Results

After analyzing the survey results, the next step is to design a process to release and discuss the survey report with industry leaders. Survey and interview participants should all be invited to hear about and discuss the results of your research. Conferences are a good way to share this information. A conference is also a good opportunity to invite industry leaders who did not participate in the survey, but who might gain from the discussions of the survey and the plan for the future. The next section gives more details on how to organize an effective conference.

Example

Dane County Manufacturing Analysis

In the Dane County manufacturing industry, it was discovered that many local manufacturers are experimenting with work reorganization in response to market demands for increased quality, flexibility, and innovation, coupled with lower costs. Most firms were also investing heavily in new equipment, much of it computer controlled, and trying to stay close to the leading edge of technology in their sector. The combined effect of work reorganization and computerized technologies has been to sharply raise the basic skills demanded of the incumbent workforce. Requirements for teamwork skills have also grown significantly. One of the most striking features of the new skill needs is that they are neither firm- nor sector-specific, and have a wide application among manufacturers. The shared problems can be broken into four main areas: recruiting and retaining entry-level workers, upgrading the skills of incumbent employees, managing the challenges of work reorganization, and meeting future workforce needs.

Dane County Kick-Off Conferences

In Dane County a half-day conference was held for each of the sectors. Each conference was kicked off with a discussion of the results in the report. This process was used to clarify the information presented in reports and to verify their results. The second element of the conference agenda was discussion of possible collaborative solutions that had worked successfully in other contexts. Finally, participants were asked to commit to a discussion series (four meetings after the conference) which would flesh out the areas of work and governance concerns for full-fledged Sectoral Partnerships. All who came to the meeting agreed to participate in those discussion series over the summer. And despite sectoral differences, in each conference it was clear that potential participants in Sectoral Partnerships could see advantages to working together.

Designing a Kick-Off Conference

As the previous example illustrates, there are several key elements to holding a successful kick-off conference. One goal to keep in mind through-out the process is to secure commitment from the industry players involved by the end of the conference.

A good way to start the conference is to report back to participants about the survey results. Then have participants consider the following questions:

❖ Which findings should attention be focused on?
❖ What do the findings mean for employers and employees?
❖ What can be done about the issues that the findings raise?
❖ Are there collaborative solutions to the common problems firms face?

Devote significant time to discussion of the last two questions in particu-lar. Be prepared to have someone speak about best practices in other areas. It is useful to have someone from another area come and talk to the group about their area and partnership — for example, "Here's our area. We have an industry facing similar problems, and here's what we did about it …". This gives industry participants a better background from which to develop ideas for your region. Also, be sure you have a springboard from which to suggest ideas for moving the group beyond the kick-off conference, in order to build on the momentum that will arise from the conference discussions. Again, it is critical to have the conference drive towards gaining the commitment of the participants.

Who to Invite?

The following are the most important participants to invite to a kick-off conference; however depending on your region, there may be other types of private or public sector leaders that you would want to invite:

❖ Survey and interview participants
❖ Industry leaders
❖ Workforce representatives
❖ Key training providers

The kick-off conference is a critical event and you want to be sure that you have the right mix of people at it.

The agenda for the Dane County Finance and Insurance Partnership kick-off conference is below. Note that the meeting was designed to address key questions, move the group forward after the conference, and secure the commitment of key industry participants. In particular, at the end of the conference, each participant in the group was explicitly asked to commit to a series of four discussion sessions.

Example

Kick-off Conference Sample Agenda

Dane County Economic Summit Council
Community Career Ladder Project

The Insurance & Finance Industry in Dane County:
Challenges and Opportunities

April 14, 1997

9:00 - 9:15   *Welcome and Introduction*
This project of the Dane County Economic Summit Council seeks to develop career ladders on a community basis. The system aims to assist firms and labor market providers to coordinate training and facilitate the introduction of new technologies and work organization.

9:15 - 10:10   *Survey Results and Industry Update*
The results of extensive surveys of 13 area finance and insurance firms will be presented. Discussion will center around the problems and challenges that firms are facing, particularly in human re-sources and information management.

10:15 - 11:10   *Career Ladders as a Response to the IT/IS Shortage*
Recognizing the current and anticipated future shortages of information systems professionals in the labor market, MATC is investigating the possibilities of modularized information systems training. Norrell Technical Services has recently been cited in the local media for an innovative approach in moving people into IS careers. School to Work is another potential avenue for future workforce development.

11:15 - 11:55   *Brainstorming and Moving Forward*
Having identified problems, we will discuss possible solutions. Conference participants will be able to freely discuss ideas about how to move forward from here and how we can come together to improve the functioning of the labor market in Dane County

12:00 - 1:00   *Lunch and Keynote Address*

Supporting
the
Partnership

Building a Discussion Series to Maintain Commitment

As mentioned in the previous section, it is critical to secure the commitment of key industry participants by the end of the kick-off conference. This allows you to move the group forward, while holding individual players accountable. After gaining this sort of commitment, one way to keep the momentum going and engage employers in the partnership is to follow-up the kick-off conference with a series of discussion meetings. Topics and agendas should be chosen with an eye for how to address industry needs and continue to build commitment among employers for a full-fledged industry partnership.

Sample topics for discussion series:

- ❖ Occupational shortages within the industry
- ❖ Shared training needs among employers within a sector
- ❖ Coordinating efforts with the public sector
- ❖ How to address common problems collaboratively
- ❖ Advantages and reasons for sectoral partnerships

Dane County Health Care Discussion Series Agendas

June 12   Getting Acquainted
  ◆ Review administrative details on the discussion series: ground rules, concerns about the process, meeting goals, agendas and locations;
  ◆ Discuss and amend areas for collaboration as identified at the April kick-off conference
  ◆ Identify barriers and concerns about the project inside your firm/organization and discussion of support/resources needed from COWS, ESC or others.

June 24   Program Development Issues

July 10   Working group development and governance issues

July 31   Formal sign-on to partnership and discussion of next steps

While the above are topics designed to generate interest in the partnership and an understanding of how sectoral partnerships work, its also important to reach some general conclusions about common goals and governance by the end of the discussion series:

❖ What work could we share in common?
❖ How can we (and will we) work together?
❖ What criteria/rules will we establish for participation and membership?

Questions to generate discussion

Below are some additional questions to help generate discussion and move towards establishing a formal partnership:

❖ What are the three or four occupational shortages that your organization faces? How many total employees are in those positions? What is your current need in those positions? What do you expect the demand to be in three years?
❖ Are there any positions for which you feel that preparation (training) is inadequate or inappropriate? What would you like to see changed in those areas?
❖ Overall, given the direction you see the industry moving over the next three years, what are your biggest concerns about external training systems?
❖ Where are your biggest retention problems? Has your organization developed programs that have helped solve those problems?
❖ What is your organization's current training system for incumbent workers? What is the most significant gap in that training system?
❖ How should membership of the partnership be defined?
❖ How will we secure the necessary resources for operation of the partnership?
❖ How will we make decisions as a group?

Month-to-Month Operation of the Partnership

Operation

A partnership must operate like an *organization* if it is going to run smoothly. This means it needs to have an operating structure, staff to keep the partnership on track and support its members, resources to cover program and other expenses, and a way of keeping the members informed and up-to-date about the partnership's activities. In addition, staff should constantly be checking in with the membership to be sure that the partnership is addressing their interests and needs.

Staff should work with partnership members – to develop a structure that clearly defines their roles and responsibilities. This structure can be either stable, such as a board and permanent committees, or it can be more fluid, such as ad-hoc committees. The idea is to put the members in the driver's seat of the partnership, while not burdening them with the details of day-to-day management.

Example

Dane County Manufacturing Partnership Committees

The Dane County Manufacturing Partnership has three committees that plan activities and projects for the group. Committees are focused on the following areas of activity:

❖ The Worker Recruitment and Retention committee is exploring new sources of workers and finding new ways of supporting existing workers. Activities include:
  ◆ Developing a pilot entry-level job project in conjunction with the Dane County Job Center.
  ◆ Improving recruitment techniques including the creation of the Jobs With a Future Resource Book in conjunction with the other Partnerships.
  ◆ Exploring new communication methods between firms on sources of employees and job openings through such tools as a web site or e-mail list.

❖ The Change at Work committee is working on means of sharing information on managing change in the workplace.
  ◆ Conducting site tours and presentations on topics ranging from workplace learning centers to modernization efforts.
  ◆ Identifying common areas of interest and offering panel discussions and guest speakers on these topics.

❖ The Incumbent Worker Training committee is working on improving quality, quantity and delivery of training practices. Specifically it is inventorying in practices mentoring, technical skills, workplace literacy, career development and contract training.

Staff as "Strategic Broker"

Because members will not have a lot of time to commit to the partnership, having staff dedicated to supporting the membership and coordinating the partnership's efforts is crucial. The staff can come from one of the member companies, a consulting firm, an educational institution, a training provider or local community college. However, it is important that the staff understands the industry, and plays the role of a facilitator or "strategic broker", rather than a leader. The staff should be able to help partnership members expand their view of the possibilities, without setting the direction of the partnership. There will always be a fine line between the staff's responsibilities of planning and coordinating meetings and programs, and the members' responsibilities of providing the leadership and initiative of the partnership. It's the difficult balance of support and coordination without direct leadership that must be sought after.

Using the Partnership to Connect Low-Wage Workers with Family Supporting Jobs

Helpful Hints for Partnership Structure and Operation

◆ *Invest time up front on organization building. Members and staff should know what their responsibilities will be*

◆ *Balance the value of activities with the time members have to devote to them*

◆ *Make full use of existing community resources*

◆ *Model the process of continuous improvement and collaboration*

◆ *Make sure staff facilitates and supports, without leading*

Once the partnerships are established, there are numerous ways to leverage them to help link low-wage workers with family supporting jobs. Carefully designed sectoral strategies have the potential to be a more effective anti-poverty strategy than the traditional models. Some sample projects to connect low-wage workers with family supporting/ career-laddered jobs include:

❖ Working with community colleges to establish short-term training programs to fill occupational shortages.
❖ Developing a resource book of entry-level opportunities offered by various firms in the partnership.
❖ Writing a monthly newsletter to keep training providers and industry leaders up-to-date on programs and new developments
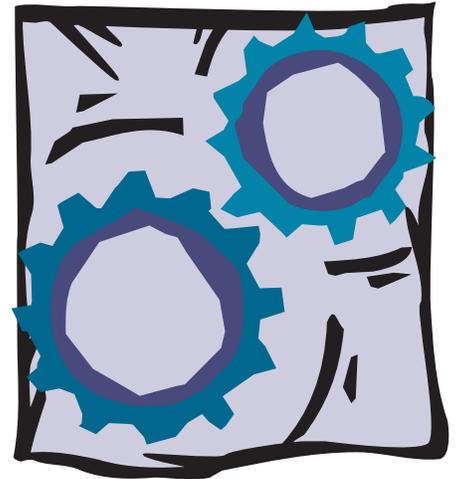
Dane County Jobs With a Future Resource Book

In Dane County, the three industry partnerships have been working together to put together a resource book of entry-level job opportunities. The purpose of the book is to serve as a resource for those in jobs with little opportunity for advancement who are seeking to move up the career ladder. In addition, it's designed to be a resource for job centers, community based organizations, schools, and other organizations that help individuals find employment.

The goal is to meet firms' demand for entry-level positions in sectors that have opportunities for advancement, and to help workers move into those positions, by providing them with up-to-date information on available opportunities.

The book is organized into three sections, based on the Partnership industry sectors – health care, manufacturing, and finance and insurance. Each section highlights a typical career path for someone starting out at entry-level in the industry. The resource book includes examples of typical job profiles that experience frequent openings in approximately thirty metropolitan Madison firms.

The creation of the Resource Book has also been a way to promote dialogue among the three industry partnerships. In this way, it is viewed as a first step in a series of cross-partnership projects that are designed to leverage private sector and public sector resources.

Example

Dane County Finance and Insurance Partnership Programmer/Analyst Training Program: A Note on Building Multiple Partnerships

As mentioned previously, not one, but three partnerships were built in Dane County. One of the advantages of building multiple partnerships is the ability to help place low-wage or unemployed workers in entry-level career tracked jobs in several industries, instead of just one. Multiple partnerships offer multiple opportunities to leverage resources, to connect low-wage workers with family supporting jobs, and to more effectively build connections between the public and private sectors.

Evaluating Success

Industry Impact
♦ *Improvements in industry competitiveness*
♦ *Job creation and retention*
♦ *Skills upgrading and job placements*
♦ *Development of new relationships, such as inter-firm relationships*

Impact on Poverty
♦ *Improvements in labor market information for people seeking employment (or better employment)*
♦ *Improved connection between public agencies that work with people seeking employment and firms that have entry-level jobs (supply and demand)*
♦ *Better ability to mobilize resources needed to provide support services*

It is important to develop performance measures and a way of monitoring the partnership's progress from the beginning. A solid evaluation is a crucial foundation through which to secure resources and continue the partnership. Consider the following questions:

❖ How has the partnership met its goals?
❖ How well are partnership members working together?
❖ How have the partnership's programs met industry needs?

You can also evaluate both the industry-wide impacts of the partnership and the partnership's impacts on the low-wage or poor population:
While it's important to measure the overall success of the partnership, its also important to pay attention to the operation and success of individual programs.

Example

Evaluation of Finance and Insurance Partnership Programmer/Trainee Program

In order to evaluate and disseminate information on the activities of the Jobs with a Future Partnerships and improve upon future activities, COWS collected detailed information on the experience of organizations and individuals involved in the Finance and Insurance Partnership Programmer/Analyst Trainee Training program.

There were three groups that COWS collected information from:
❖ Employees enrolled in the training – A written evaluation was administered to the students during the last week of class.
❖ Employers sending employees through the training – All employers sending students through the course were interviewed following the completion of the course
❖ MATC – During the course of the class, informal discussions occurred with the instructors and a more formal interview was held immediately prior to the completion of the course.

Each group provided different insights on the successes, failures and impressions of the training. In general, response from all the parties was overwhelmingly positive – students felt like they were prepared to take on new responsibilities and many were eager to continue their training through an associates degree or a Phase II course; employers felt that the quality of instruction was excellent and the students performed exceptionally; and MATC felt the students were dedicated and the curriculum was very effective.