

The National Fund for Workforce Solutions

A New Approach to Workforce Development

Forming a Regional Funder Collaborative

July, 2011



National Fund for Workforce Solutions

Address the skilled labor shortage

- *Helping employers to be more economically competitive*

Increase family sustainability

- *Skill development and career advancement opportunities for low-income, low skilled individuals*

Improve the workforce development system

- *Help align fragmented existing public and private investments to meet needs of low-skilled adults and their employers*

Vision

- ❑ **To Improve the Quality of Work, Workers, and Workforce Systems**



- ❑ **An Investor Partnership focused on Sustainability and Stability**

5 Year Goals: Quality Workers in Quality Work

- ❑ **Scale:** \$30m National Fund for co-investment
- ❑ **Scope:** Support local collaborative efforts in 30 to 40 regions
- ❑ **Local Impact:**
 - \$200m local/regional investment
 - 50,000+ people in careers with a future
 - 1,000+ businesses invested in worker competence

The Plan

- ❑ **3 to 5 year grants**
- ❑ **Build a Learning Community**
 - Peer learning meetings and exchanges for regional partners
 - Technical assistance for funded and “emerging” regional collaboratives
 - Workforce Partnership Sector Academies
 - Regional Collaborative Institute: Support for new funding collaboratives
 - How-to guides, e-learning, shared resources and tools
- ❑ **Research and Evaluation:** documenting and disseminating what works
- ❑ **Policy Advocacy:** national level and support for state or local efforts
- ❑ **Policy and Practice Pilots**

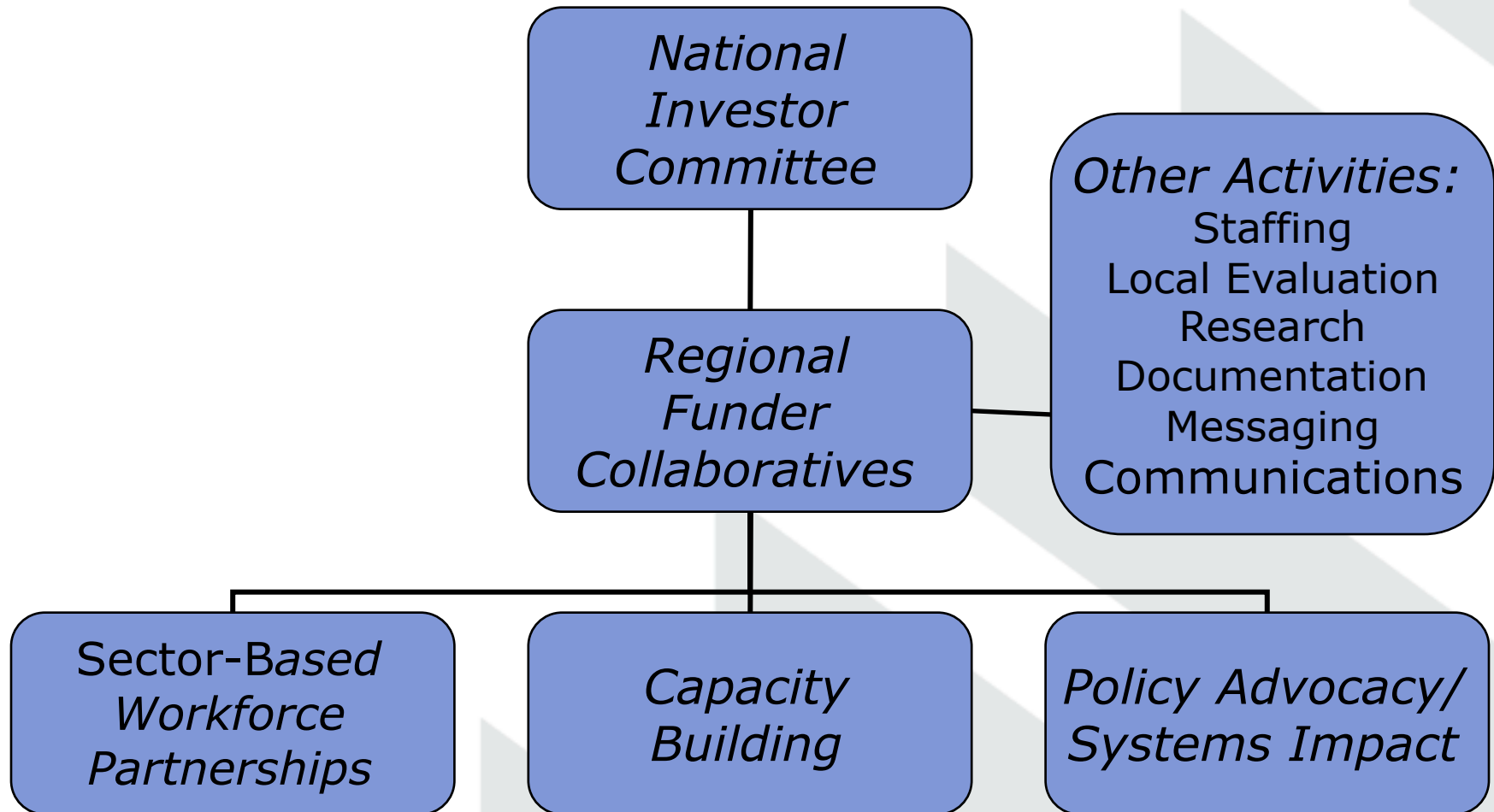
The Social Innovation Fund

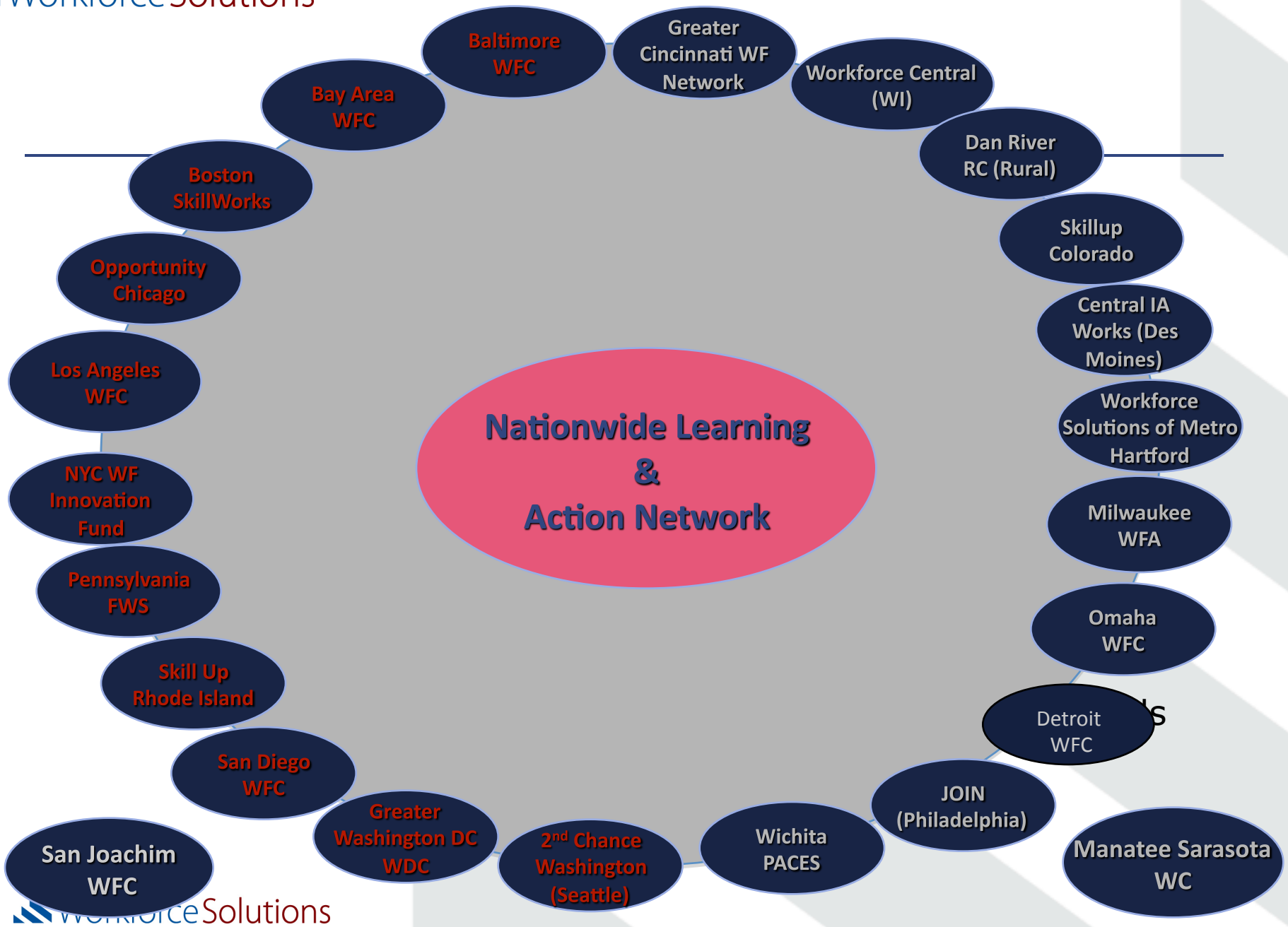
- The \$50 million Social Innovation Fund:
 - Leverages significant private match
 - Sets a higher standard for evidence
 - Empowers communities to identify and drive solutions
 - Creates an incentive for grant making organizations to more effectively target funding to solutions that generate real impact.
 - Important component of federal effort to use evidence, innovation and public-private cooperation to address urgent social challenges.

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The Approach





Regional Funder Collaboratives

- ❑ What is a regional funder collaborative?
- ❑ What are the goals of a funder collaborative?
- ❑ What do funder collaboratives do?
- ❑ In what do funder collaboratives invest?
- ❑ How do you form a funder collaborative?

Regional Collaboratives

- ❑ **Coalition** of community, private, and public funders and key stakeholders
- ❑ ***Financial resources*** to be pooled and/or aligned in pursuit of the collaborative's strategic workforce development goals and investment priorities.
- ❑ Bring the **visibility, clout, and resources** necessary to realign the workforce system to meet the needs of employers and low-skilled adults

Regional Collaborative Goals

- ❑ Enhance regional competitiveness
- ❑ Improve public workforce systems
- ❑ Career advancement for low-income and low-skilled people
- ❑ Increase business efficiency and productivity

Regional Collaborative Key Functions

- ❑ Engage Civic Leadership Group
- ❑ Identify Shared Strategic Vision
- ❑ Analyze Labor Market Challenges
- ❑ Plan Investment Strategy
- ❑ Raise Funds from Members
- ❑ Award Grants
- ❑ Identify Policy Advocacy Priorities
- ❑ Support Research, Evaluation, Messaging
- ❑ Develop Initiative Governance and Staffing Approach

What are workforce partnerships?

Sectoral Career Advancement approach focused in industries with:

- ❑ High economic significance to a region
- ❑ High demand and opportunities for advancement for low-skilled job-seekers and incumbent workers
- ❑ High employer interest in engaging with workforce partnerships to address their workforce challenges

Workforce Partnerships

Traditional Approach

- Focuses on increasing worker skills and job placement
- Transactional
- Works within existing funding systems and business practices
- Sharp boundaries around fixed organizational roles and practices
- Short-term focus

Workforce Partnership

- Focuses on solving problems faced by workers and businesses
- Relational
- Works to change funding systems and business practices for a full array of solutions
- Flexible partnerships to solve problems and enhance value
- Long-term orientation

Forming a Regional Collaborative

- ❑ **Conduct Marketing/Feasibility Assessment**
 - Develop a planning group of private and public funders
- ❑ **Engage in Design Phase**
 - Develop collective understanding of problem to be solved
 - Develop shared strategic vision
 - Identify key industry sectors
- ❑ **Develop Investment Strategy**
- ❑ **Identify Governance and Administration**
 - Decision-making process on investment priorities
 - Consulting key stakeholders
 - Management and staffing of initiative

Governance

- ❑ **All Funders**
 - Philanthropic, Public, Corporate
 - Pooled and/or aligned funds
- ❑ **Funders and Stakeholders**
 - Funder sub-committee for grant making or grant-making by committee-of-the-whole
- ❑ **Staffing**
 - Independent Director, hired by Regional Collaborative
 - Donated or “in-kind” by one member
 - Consultants hired for specific tasks

Regional Collaborative Investment Strategies

- ❑ **Support Workforce Partnerships**
 - Direct grants for management and services
 - Seed development of new workforce partnerships
 - Expand services of current workforce partnerships
- ❑ **Build Capacity**
 - Professional development
 - New or expanded programs and services
- ❑ **Policy Advocacy**
 - Address Legislative or regulatory barriers
 - Sustain improvements to employer and system practices
- ❑ **Research and Evaluation**
- ❑ **Messaging, Marketing**
- ❑ **Initiative Management**

Regional Collaborative Models

SkillWorks

- *Mutual Fund*
 - 8 foundations, City of Boston, MA Dept of Labor
 - \$15 M over five years
- *Funders Group*
 - 1 funder/1 vote
 - Committees for workforce partnership oversight, policy, evaluation
 - 1 full time Director
- *Investment Plan*
 - \$1.5 M each to 6 workforce partnerships over 5 years
 - \$1.5 M policy advocacy
 - \$2.5 M capacity building & technical assistance
 - \$0.5 M evaluation

Regional Collaborative Models

New York City Workforce Innovation Fund

- *Pooled and Aligned Fund*
 - 8 foundations pool \$500,000/year
 - City allocates \$1,000,000/year
 - Workforce Development Corporation manages grant awards
- *Funders Group*
 - Co-led by NYC Small Business Services Dept & Foundations
 - Joint review and approval process
 - Ad hoc committees
 - Public/Private Ventures provides management support
- *Investment Plan*
 - \$150,000/year for sector academy policy advocacy
 - \$1M/year sectoral workforce partnerships
 - \$100,000/year evaluation
 - \$250,000 management and special projects

Regional Collaborative Models

Skill Up Rhode Island

- Aligned Grant-making
 - United Way of Rhode Island: \$750,000/year, lead
 - RI Dept of Education; Governor's Workforce Board; Dept of Labor & Training; Making Connections Providence; Rhode Island Foundation
- Funders Group
 - Stakeholder steering committee
 - Separate funder groups for each workforce partnership
 - Staffed by UWRI Senior Program Officer
- Investment Plan
 - Four sectoral workforce partnerships, co-invested by funders
 - Professional Development Center
 - Aligned resources for policy advocacy
 - \$150,000/year for technical assistance and evaluation

Resources

- ❑ www.nfwsolutions.org
- ❑ **Council on Foundations**, 703 847-0627
Stephanie Powers, Managing Director, Public Philanthropic Partnership Initiative powes@cof.org
- ❑ **Jobs for the Future**, 617-728-4446
Fred Dedrick, NFWS Executive Director
fdedrick@jff.org

The National Fund for Workforce Solutions

**Seeding and Expanding Sector-Based
Workforce Partnerships**

 National Fund for
Workforce Solutions

July, 2011

Goals of Presentation

- Present a brief overview of workforce partnerships answering the following questions:
 - What are workforce partnerships?
 - What are their core functions?
 - What services do they provide?
 - How are they structured?
 - What are the core competencies of a lead organization?
 - What are strategies for developing workforce partnerships in your location?
 - What are some issues/questions to consider?
- Address your questions

What are workforce partnerships?

Sectoral Career Advancement Approach
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What are the core functions of workforce partnerships?

- ❑ Develop deep understanding of needs of low-skilled adults and employers in particular sectors
- ❑ Convene relevant partners in coalition to identify and respond to needs
- ❑ Broker or deliver services to address needs in a more seamless manner
- ❑ Align resources to meet the needs of employers and job-seekers/workers
- ❑ Engage employers as planners and implementers in this work

What services do workforce partnerships provide?

□ **For employers in a particular sector:**

- Aggregating demand across employers
- Career mapping to identify pathways and advancement opportunities
- Assessment of supportive work environment for low-skilled adults
- Cultural competency assessments and training
- Linking employer workforce development services with external services and supports
- Aligning employer workforce development resources with the needs of low-skilled workers (e.g. expanding tuition reimbursement to non-credit training)
- Manager and supervisor training and support
- Consulting on effective means to communicate employment and advancement opportunities

What services do workforce partnerships provide?

- **For low-skilled job-seekers/workers:**
 - Recruitment
 - Assessment
 - Career exploration
 - Career counseling
 - Basic skills remediation (ABE/ESL; bridge programs, intensive refreshers, etc., often contextualized to particular sector)
 - Occupational training
 - Case management/supportive services/barrier removal
 - Post-placement retention services
 - Career counseling
 - Continuous connection over several years to promote ongoing skills development and career advancement

What services do workforce partnerships provide?

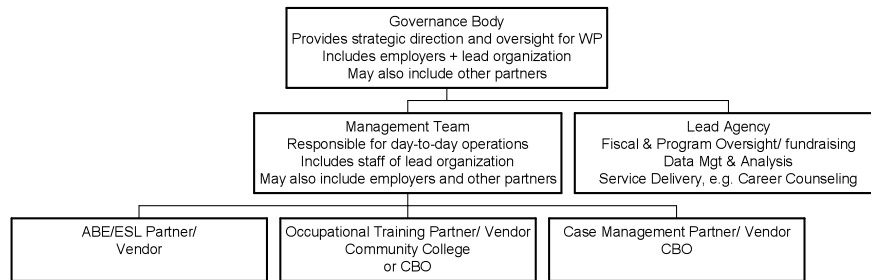
□ **For service provider partners:**

- Knowledge of employer needs and how service provider practices must change to address these needs
- Awareness of best and promising practices in service delivery
- Building capacity of service providers to better meet the needs of employers and job-seekers
- Results-driven focus that promotes flexibility and accountability amongst partners
- Improving data collection and analysis capacity to drive practice
- Access to additional resources to implement work

How are workforce partnerships structured?

- ❑ COALITIONS of employers, service providers, educational institutions and other partners/vendors
- ❑ Coalition may be led by a variety of organizations – including community colleges, public workforce agencies, unions, business groups, community-based organizations, and faith-based organizations
- ❑ Structures are dynamic, but often include a governance body, a management team (including the lead organization), and a number of partners/vendors

How are workforce partnerships structured?



What are the core competencies of a lead organization?

- Lead organizations must have strong:
 - Knowledge of the sector
 - Relationships with employers
 - Entrepreneurial leadership (organization and WP)
 - Program management capacity
 - Service delivery capacity (if offers services)
 - Research and strategic development capacity
 - Fiscal management capacity
 - Grants and performance management capacity
 - Communications and marketing skills
 - Data collection, management and analysis capacity
 - Capacity for fundraising and leveraging resources
 - Overall organization (beyond WP project)

What are strategies for developing workforce partnerships?

Sector Focus:

- Lead with outcomes and let interested partnerships choose sectors
- Lead with sectors and identify partnerships with expertise in these industries

□ Selecting Workforce Partnerships

- Competitive process through RFP
- Selective process designating strong existing organization as lead organization that builds out partnership based on needs

What are issues/questions to consider in developing workforce partnerships?

- ❑ If you have already identified sectors of focus, which organizations have strong expertise in these sectors and good relationships with employers?
- ❑ Which organizations have the capacity to lead a complex workforce partnership?
- ❑ Which organizations provide the services that workforce partnerships offer?
 - How effective are these services, especially for low-skilled adults?
- ❑ What do your answers to the questions above suggest about areas in which you will need to build capacity in order to develop effective workforce partnerships?