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

National Investor Committee

Regional Funder Collaboratives

Sector-Based Workforce Partnerships

Capacity Building

Policy Advocacy/Systems Impact

Other Activities:
- Staffing
- Local Evaluation
- Research
- Documentation
- Messaging
- Communications
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](http://www.nfwsolutions.org)

- **Council on Foundations**, 703 847-0627
  Stephanie Powers, Managing Director, Public Philanthropic Partnership Initiative [powes@cof.org](mailto:powes@cof.org)

- **Jobs for the Future**, 617-728-4446
  Fred Dedrick, NFWS Executive Director [fdedrick@jff.org](mailto:fdedrick@jff.org)
The National Fund for Workforce Solutions

Seeding and Expanding Sector-Based Workforce Partnerships

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?

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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?

- **Governance Body**
  - Provides strategic direction and oversight for WP
  - Includes employers + lead organization
  - May also include other partners

- **Management Team**
  - Responsible for day-to-day operations
  - Includes staff of lead organization
  - May also include employers and other partners

- **Lead Agency**
  - Fiscal & Program Oversight, fundraising
  - Data Mgt & Analysis
  - Service Delivery, e.g., Career Counseling

- **All/IT/Sl, Partner/Vendor**
- **Occupational Training Partner/Vendor/Community College or CBO**
- **Case Management Partner/Vendor/CBO**
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?