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CASE STUDY

WORKFORCE DEVELOPMENT

Roanoke Valley seeks to increase workforce development opportunities in the region that will support the needs of both employers and job-seekers. This includes approaches for increased access to job training; data collection about workforce gaps and opportunities; creating industry sector partnerships; and, opportunities for educational advancement for people of all ages and abilities.

Workforce development can be generally defined as education and training that enables employees to access jobs and advance in the labor market.¹ While federal and state government policies traditionally drive workforce development programs through employment and direct labor matching initiatives, increasingly, employers, labor representatives and training institutions such as community colleges are playing lead roles in collaboratively shaping workforce development programs to meet a variety of needs.

CASE STUDY: WASHINGTON STATE INDUSTRY SKILLS PANELS

This case study focuses on the Washington State Workforce Training and Education Coordinating Board's Industry Skill Panels (also known as Roundtables) as it is a relevant model for Roanoke Valley's objectives. The State has convened panels comprised of labor, business and government leaders at regional levels to identify the steps needed to improve the skills of workers in industries vital to the state's economy.

¹ Center for Law and Social Policy, www.clasp.org, accessed October 29, 2013

The skill panels convene multiple competitors within the same industry and the same region to solve workforce gaps that make all partners more competitive.²

STATE PROFILE

The growth of knowledge-based industries in Washington State during the 1990's and early 2000's created a need for industries to find skilled workers familiar with various technologies in order to stay competitive.³ State and national surveys continually showed that Washington employers faced shortages of skilled workers that required increasing reliance on overtime labor and the need to outsource workers. Limited access to a skilled workforce was recognized as the largest barrier to knowledge-based industry expansion in Washington.

At the same time, employees spoke of difficulties advancing to higher salaried jobs as well as their fears of losing jobs as their skills became obsolete.⁴ A study of state-financed customized training programs revealed that the State's programs had declined in competitiveness and were one of the nation's least effective programs due, in part, to overlapping and duplicative objectives and the labor force's need for greater efficiency. These programs also led to complaints

² "By meeting demand driven skills of industry we are all more competitive." Bob Guenther, IBEW Local 77 in Paros Group and Corporation for a Skilled Workforce. *Evaluating Industry Skill Panels: A Model Framework* June 2008..

³ WA Workforce Training and Education Coordinating Board. *Industry Skills Panels*. 2005

⁴ *Jobs for the Future and Rockefeller Foundation, Building Skills, Increasing Economic Vitality*. 2008

from employers that the programs were too burdensome and involved too much red tape.⁵

In recognition of employee and employer challenges as well as the needs of economic development, in 2000 Governor Lock advanced the concept of the Industry Skills Panels to a statewide political leadership level. Community colleges, organized labor and legislative support led to the creation of the panels with a \$600,000 appropriation from the state's general fund that was used to pilot an industry cluster strategy.⁶

PROGRAM DESCRIPTION

The Industry Skills Panels [hereinafter panels] were established by the Washington State Workforce Training and Education Coordinating Board. The Board, created in 1993, is a state agency of approximately 28 full time staff that advocate for a better educated workforce by providing planning, coordination, evaluation, monitoring and policy analysis for the state training system.⁷ While most states channel federal workforce investment act funds into state employment agencies that match labor to job opportunities, the state's legislature chose to direct the federal funds into their Workforce Training and Education Coordinating Board.⁸ This strategic action created the opportunity to convene business, labor and educational institutions at one common table to advise the governor and the legislature regarding prioritization of investments in workforce development.

Overseen by a membership evenly balanced among business, labor and state agencies, the Board is, at its highest levels, a partnership among three key elements driving the state's workforce development and economic development. A 1999 Executive Order by the Governor provided further stimulus by specifically charging the Board to work closely with the state's two year colleges, private schools and apprenticeship programs to increase the number of vocational job openings filled by graduates from programs in Washington.⁹ The Board's system of 18 education and training programs, receives almost \$1 billion annually in

state and federal funds.¹⁰ This mix of sectors helps ensure that workforce dollars and state policy advocacy reflects the needs of business and labor.

Panels in each region of the state have been established with a focus on key industries. The cost of setting up a panel varies and can be greatly helped by in-kind facilitation, meeting space and employer support. Over a three year period, it requires approximately \$150,000 to get a panel established with facilitation, support for industry/workforce gap analysis and pilot programs.¹¹ Each panel includes approximately 15-20 participants from businesses within the same industry cluster and region as well as community colleges, implementing activities that create integrated solutions to close industry skill gaps. The industry skill panels focus on key industries including health care, construction, information technology, manufacturing, marine and industrial safety training, game software development, energy and electronics.¹² Each industry panel is coordinated by a local workforce representative such as a Chamber of Commerce leader.

Unfortunately, after a decade of funding through the reallocation of federal funds, the primary source of funding for the panels has not been available since 2010. However, as a testament to the success of the panels, it is estimated that there are approximately 50 industry skill panels that continue to operate throughout the state, funded by employers, community colleges and other local sponsors. There is a growing legislative movement within the state to allocate state funds for continuing the program to respond to emerging vital industries.

IMPLEMENTATION

The public-private partnership approach is reflected by the types of entities who serve on panels including businesses, business/trade associations, workforce development councils, labor organizations, community and technical colleges and skill centers, school districts, public universities, private universities, private career schools, and economic development councils and ports.¹³

⁵ *Ibid.*

⁶ *Ibid.*

⁷ Interview with Dave Pavelchek (WA Workforce Training and Education Coordinating Board), October 2013

⁸ State of Washington, 28C.04.390 Job Skills Training and Advisory Committee, 1999.

⁹ Executive Office State of Washington, EO 99-02 Workforce Development, 1999.

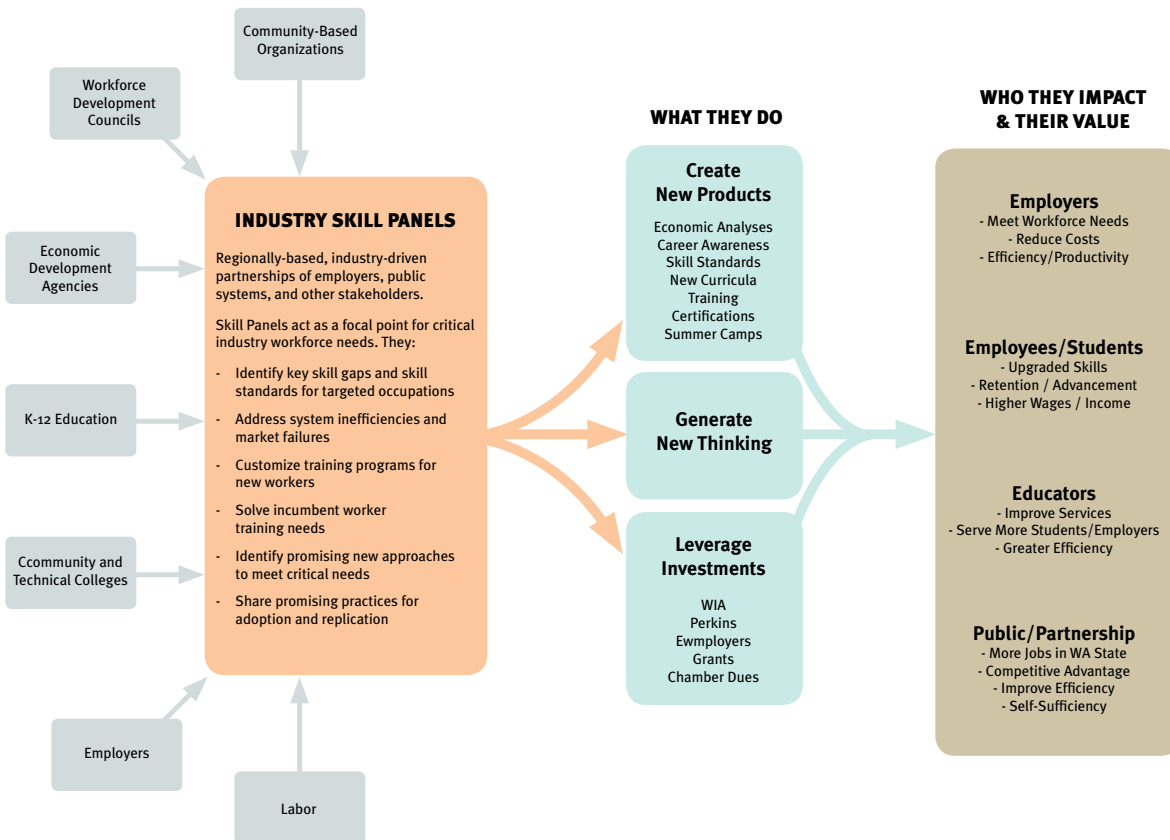
¹⁰ Workforce Board, *wtb.wa.gov*, 2013

¹¹ Interview with Dave Pavelchek (WA Workforce Training and Education Coordinating Board), October 2013

¹² WA Workforce Training and Education Coordinating Board. *Industry Skills Panels*. 2005

¹³ *Jobs for the Future and Rockefeller Foundation, Building Skills, Increasing Economic Vitality*. 2008

INDUSTRY SKILL PANELS



Source: Paros Group and Corporation for a Skilled Workforce. *Evaluating Industry Skill Panels: A Model Framework*. June 2008. p. 6.

While the number of panels and participants fluctuates depending on workforce and business needs, the outcomes of this approach in terms of decreasing skill gaps and vacancy rates are notable. A 2008 independent evaluation of four Industry Skill Panels found that four of their initiatives collectively decreased worker skill gaps and vacancy rates in the industries targeted, while leveraging over \$18 million in additional investments; more than 30 times the amount of public funds invested.¹⁴

As regional industries grow or contract over time, the operations of industry skill panels reflect these trends. By example, the Seattle-King County Workforce Development Council annually reviews industry sectors in the region to determine which should become the focus and what strategies are needed. The Council also notes sectors which are emerging

or “watch” sectors and may require additional focus in the future. Key criteria used by the Council include;¹⁵

- **Economic Size and Scope** Number of firms and jobs, percent of total employment, sales revenue where appropriate, economic development plans.
- **Job Demand** Short- and mid-term growth projections based on retirements and added jobs.
- **Supply and Demand Alignment** Match between demand and the regional inventory of job seekers, as well as the availability of career paths which lead to self-sufficient wages.
- **Potential for Impact** Commitment level of employers and labor to address workforce issues and contribute

¹⁴ Workforce Board, *Coordinating Workforce and Economic Development around Strategic Industry Clusters*, Dec 2010

¹⁵ Seattle-King County Workforce Development Council, <http://www.seakingwdc.org/industry/sector-initiatives.html>, 2013

resources; the WDC's connections and leverage points within the sector; presence of an active industry intermediary or association; related workforce development efforts underway; and availability of (or plans for) sector-based curriculum through local training providers.

Below is a summary of ways that the panels have enhanced access to job training and educational advancement through integrated programs with local industry and schools:

1. Identifying and Developing Skill Standards

The identification of critical skill needs is one of the first steps in understanding gaps and opportunities for matching workforce with employers. The Walla Walla Energy Skill Panel in eastern Washington worked with Walla Walla Community College to identify critical skill needs and assess gaps in the energy field. The region is home to energy-related organizations such as the Bonneville Power Administration, Army Corps of Engineers and Florida Power and Light Company. In addition to identification of skills needed, the panel sought to strengthen workforce skills for meeting local employment needs.¹⁶

The panel secured funding from state and federal entities to prepare the Energy Industry Skill Standard which defined roles, responsibilities and training requirements for certain categories of energy industry professionals in Washington. The standards were designed to help industry recruit and train qualified employees; to advance careers of the existing workforce; to link education reform with workforce training; and to inform curriculum and teaching of required skillsets. The skill standards study has also strengthened Walla Walla Community College's understanding of how to serve the regional energy industry, leading to the creation of a certificate in wind energy located at the college.

In addition to defining curriculum needs for community college training programs throughout the state, the skill standards study has served as a template for informing additional energy skill standard projects. The Pacific Northwest Regional Center of Excellence for Clean Energy within Washington State's Centralia College has expanded this study to include development of skill standards for a wider range of energy industry professionals.

¹⁶ Walla Walla Community College, *Skill Standards for Energy Industry*, 2003

2. Creating Certificate Programs

A panel convened representatives of the emerging wine industry cluster in eastern Washington, forging a partnership with Walla Walla Community College to develop training programs. An outcome of the partnership is the creation of technical degree and two certificate programs and the establishment of the Walla Walla Institute for Enology and Viticulture. The Institute 1) facilitates alliances with vintners and viticulturists in the Walla Walla Valley and throughout Washington State, 2) promotes the economic development of the wine industry, and 3) provides education and training for those with an interest in the industry.

The growth of the wine industry has since benefited from the more than 100 degrees and 144 certificates awarded through the Walla Walla CC program. By early 2007 the region's wineries increased from 19 to over 100, with more than 20 established by the college program's graduates.¹⁷ During the industry's growth, complementary benefits were realized in average industry wages growing from \$25,995 to \$35,000 (2000 to 2008), county employment rising 14.4% (2000 to 2008) and regional hotel sales increasing 40% (2005 to 2009).¹⁸

3. Advising Community College Center of Excellence

Shoreline Community College's Manufacturing Skill Panel, located just outside Seattle, was created to better connect industry with education. While aerospace technology training was the predominant subject at most area colleges, the panel was able to identify a broader range of manufacturing training needs. Working closely with the Shoreline Community College Center for Manufacturing Excellence, the panel helped create a 21 credit Certificate of Basic Manufacturing that provides students with entry-level manufacturing skills and that serves as a foundation for certificates and two-year degrees in other manufacturing specialty areas. Graduates have been able to find employment in local manufacturing companies working as assemblers, packaging operators, aircraft systems assemblers, and electronic assemblers.

The Skills Panel has also advised the center on the content for new classes. For instance, when the center deliberated whether to invest in the creation of a machine maintenance class or quality assurance class, the panel's industry repre-

¹⁷ Workforce Board, *Wine Cluster Walla Walla*, 2009.

¹⁸ *Ibid.*

representatives were able to affirm that quality assurance skills would be in much greater demand. Representatives from the panel inform the curriculum to ensure students would become qualified entry-level hires. The industry-driven input supported effective decision-making and creation of a class on skills valued in the job market.

Internship connections between students and potential employers are another value-added component of the panel approach. The strengthened relationship between industry representatives and the Shoreline Community College has facilitated a high rate of internship placements, which enable employees and employers to test out longer-term employment matches.¹⁹

4. Strengthening Career Pathways through Education and Licensure

A Health Care Skill Panel convened by the Washington State Hospital Association with support from the Workforce Development Council of Seattle-King County played a leadership role in convening local hospital executives, labor leaders, college administrators and K-12 school system representatives to examine critical staffing shortages in health care. During the course of the study the panel recognized that rather than focusing on industry recruitment and marketing efforts, the key solution to the staffing shortage was overcoming barriers facing the local education system. At the time, Patti Sheehan, Vice President of Virginia Mason Medical Center in Seattle and panel participant noted: "The panel is a great forum of on-going dialogue for the many stakeholders in our community, and has been able to marshal resources and put puzzle pieces together in a very effective manner. I'm not aware of any other forum that provides this opportunity for so many partners."²⁰

The panel determined that barriers to relevant education included a lack of clinical training sites; faculty, classroom and laboratory shortages; and increasing dropout rates and student retention problems. A program called career pathways was created to place career specialists at hospitals to provide counseling and subsidized training for hospital employees, such as those in housekeeping and food service, who are interested in health-care careers. Since 2003, more than 1500 hospital employees have received counseling and

¹⁹ Shoreline Community College, Manufacturing Advisory Committee Meeting Minutes. June 2012

²⁰ Seattle-King County Workforce Development Council, *In Critical Condition*, 2003

more than 500 have enrolled in subsidized health care training.²¹

Following the study, the Council secured \$1.3 million from federal, state, private and industry funds to implement key recommendations. Hospitals have also funded 50% of the costs for on-site staff in addition to providing in-kind support for employee trainings, office space and equipment usage. The Council worked with community colleges to pursue \$1 million in funds to expand nursing and radiology technology programs.²²

Health Careers for Youth (HCY) was created to make education opportunities more accessible to underrepresented youth, including bilingual youth of color. The program includes paid internships, subsidized trainings and work experience in the health care field through Seattle area businesses. Integrating college courses into high school student curriculum helps students earn college credit without incurring additional costs. Most of those that completed the full program have also gone on to earn national certified nursing assistant licensure.²³

5. Leveraging Funds

Four skill panels were able to leverage approximately \$18,000,000 from approximately \$620,000 of state grant funding over the course of the panels' work.²⁴ This represents more than 30 times the amount of state investment in the panels. These four panels included the Manufacturing Round Table of Greater Spokane; Power Generation Skill Panel of Centralia College; Tacoma/Pierce County Health Care Panel; and, Northwest Marine Manufacturing Panel.

ASSESSMENT

Although the model presented in this case study is initiated at the state level, it provides examples of how regional Industry Skills Panels composed of industry and workforce development providers are working together to produce a more qualified workforce. The Washington Industry Skills Panels provide numerous outcomes and lessons-learned that may be relevant to the Roanoke Valley's efforts, including:

²¹ *Ibid.*

²² Seattle-King County Workforce Development Council, <http://www.seakingwdc.org/industry/health-care-pathways.html>, 2013

²³ Paros Group and Corporation for a Skilled Workforce. *Evaluating Industry Skill Panels: A Model Framework*. (June 2008).

²⁴ Jobs for the Future and Rockefeller Foundation, *Building Skills, Increasing Economic Vitality*, 2008

1. **Including representatives from industry, labor and education in the process can promote comprehensive solutions.** The Washington Workforce Training and Coordination Board and related industry skill panels are similar to the Roanoke Regional Workforce and Economic Development Network proposed in the Livable Roanoke Valley plan. Bringing industry, education and workforce development leaders together has proven to be a successful strategy. Washington State has found that regional Industry Skills Panels act as a mechanism to increase communication among industry and workforce training leaders; and, to reduce barriers to shaping partnerships that increased access to a skilled workforce.
2. **Engagement with employers is a key to understanding workforce needs.** At its core, the skill panel concept promotes a dialogue with employers that achieved better understanding of workforce challenges and needed skills. Regular meetings helped both employers and workforce development providers better understand how they could partner to create more relevant education and training resulting in a better prepared workforce. Collecting and sharing data, through surveys, such as Washington's Biennial Employer Needs Survey, helped identify gaps and needs for discussion with employers and workforce development providers.
3. **Financially sustainable initiatives have the flexibility to respond to local need through formation of unique education and industry partnerships.** While initial state funding was critical to the formation of the panels, the value of the panels was clear at the local and regional levels and led to alternative funding. For instance, an aerospace industry-based panel found that an employer needed skilled labor available to start work within 3 months to meet outstanding manufacturing orders. To meet this need, the employer and the local college created a short-term training program, paid in part by the employer with in-kind support provided by the college, in exchange for expanding its program offerings.
4. **Efficient decision-making requires engagement with key decision-makers.** Successful panels tend to have key decision makers sitting at the table so that actions agreed upon can be implemented quickly,

without the lag time required for staff to get leadership on board.

5. **Both a longer term view and shorter term flexibility is required to fill employment gaps.** Identifying employer needs, developing training, recruiting students and certifying graduates may take several years. It's important for all stakeholders to look outside the box by exploring creative ways of borrowing training equipment, conducting on-the-job training, using competitive grants, leveraging venture capital, etc., to meet shorter-term needs.
6. **Focus on specific industries enables greater understanding of barriers and opportunities.** By example, the wine industry panel approach illustrates how Washington State was able to turn business competitors into partners seeking to grow benefits for the industry.
7. **Numerous workforce development needs may be met through better use of existing education and training institutions.** Creating new training facilities and institutions can be costly and time-consuming. Articulating employer's training needs through the panels has enabled existing colleges to respond with relevant training programs. Leveraged state grant funds have helped secure additional employer funds and in-kind support for developing these training programs with community colleges.
8. **Community colleges have resources and leadership skills of value to the panels.** While most of Washington's panels were led by staff of workforce development councils, increasingly, a number of community colleges have become more involved in coordinating and convening industry skills panel given their role as leaders of the workforce training programs. The colleges have a direct incentive to ensure that its graduates are well-qualified and regularly hired into local jobs. Encouraging college and educational institution leadership may strengthen institutional support and ensure that the panel's activities continue in light of government funding shortfalls or policy changes. Also, state agency workforce and economic development funding partners often encourage investments in community colleges by requiring that

funding applications describe potential investments in community or technical college programs and Centers of Excellence.

9. In-kind support is a valuable contribution to workforce development. Examples illustrated in this case study show that in-kind support such as on-site career counseling and use of specialized equipment can help overcome training access and cost barriers.

10. Monitoring and evaluating progress and outcomes can be challenging. While the skill panels have been successful at matching workforce and economic development needs across a variety of sectors throughout the state, the variety of reporting on outcomes makes it challenging to aggregate impacts for demonstrating value.

11. Listing of products and services provided can raise awareness of a panel's value. The Washington skill panels produce a range of products including reports, skills gap analyses, asset maps, skill standards, career awareness efforts, legislative testimony, and strategic plans that evidenced the value of the panel.²⁵ Data on progress could be captured through a survey of employers, prospective employees, educators and partners and provide testimonials and anecdotes about how the skill panel is helping to meet needs and develop solutions. Demonstrating success of skill panels also could benefit from providing narrative descriptions of products and services developed and used.

²⁵ *Ibid.*

RESOURCES

Mike Brennan, WA Workforce Training and Education Coordinating Board, Industry Skill Panel Program and Economic Development Program Specialist (360) 709-4616

Dave Pavelcheck, WA Workforce Training and Education Coordinating Board, Evaluation Design and Research Specialist (360) 709-4630

Paros Group and Corporation for a Skilled Workforce. Evaluating Industry Skill Panels: A Model Framework. June 2008.

Jobs for the Future and Rockefeller Foundation, Building Skills, Increasing Economic Vitality. 2005.

Seattle-King County Workforce Development Council, <http://www.seakingwdc.org/industry/health-care-pathways.html>

Washington State Workforce Training and Education Coordinating Board, <http://wtb.wa.gov/default.asp>

Washington State Law, Chapter 28C.04 RCW. Vocational Education.