



SEPTEMBER 2022

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Collaborating for Impact: How Workforce Boards Thrive in Unprecedented Times

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Recognizing that adult learners are the backbone of the U.S. economy, CAEL helps forge a clear, viable connection between education and career success, providing solutions that promote sustainable and equitable economic growth. CAEL opens doors to opportunity in collaboration with workforce and economic developers; postsecondary educators; employers and industry groups; and foundations and other mission-aligned organizations. By engaging with these stakeholders, we foster a culture of innovative, lifelong learning that helps individuals and their communities thrive. A national membership organization established in 1974, CAEL is a part of Strada Collaborative, a mission-driven nonprofit. Learn more at cael.org and stradacollaborative.org.

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ACKNOWLEDGEMENTS

The authors thank Peter Callstrom, Angela Carr Klitzsch, Keith Lawing, Andrew McGough, and Kris Stadelman for speaking with them and sharing their expert perspective about the challenges and opportunities facing workforce development, especially as they relate to postsecondary education and strategic partnerships. Thanks also go to Jade Arn, director of engagement for Brookings Metro, Dr. Gloria Mwase, senior vice president of partnerships, research, and impact at CAEL, Jack Mills, EVP and chief operations officer at CAEL, and CAEL President Earl Buford.

Executive Summary

In the last two years, the nation's workforce development boards have focused on job training and placement in the face of many challenges related to the changing labor market, a global pandemic, and an economic shutdown. Late last year, CAEL spoke with five dynamic workforce development board directors from across the country to gain a clear sense of how they operate, their experiences in the early days of the pandemic, and their preparations for meeting the changing labor market needs of 2022 and beyond.

The creativity these leaders have shown in meeting their region's workforce needs illustrates how we may be overdue for reimagining and reinventing the nation's workforce system. A new approach with greater flexibility is needed — one that will encourage more collaboration and innovation among various regional partners, bolster high-quality training along with the support services that will help job seekers and incumbent workers succeed, and provide greater incentives to think and operate more effectively and creatively.

OPERATING IN A CHANGING AND CHALLENGING LABOR MARKET: THE VALUE OF COLLABORATION AND ENTREPRENEURIAL THINKING

When talking about their organizations and ways of operating — both leading up to and during the pandemic — the workforce leaders noted several common challenges, including insufficient access to data, a lack of coordination among the various agencies they work with, and funding shortfalls. But these leaders also described ways they have driven talent development and job placement in their communities through creative partnerships with a variety of different entities, including: postsecondary education institutions, the K-12 system, employers, and economic development organizations. These new partnerships helped them to develop expanded career pathways for the workforce beyond just initial job placement. Collaboration has also grown more creative, with workforce boards taking on educational and advisory roles, hosting train-the-trainer DEI workshops for companies and other local organizations, and working with major employers to battle regional brain drain.

DEALING WITH UNPRECEDENTED TIMES

During the height of the COVID-19 emergency, workforce boards found themselves scrambling to adjust to a jobs climate that had seemingly changed overnight. Several boards cultivated new partnerships in these difficult conditions, often in ways designed to connect workers who had been abruptly cut off from traditional lines of communication to support, like CARES Act supplemental unemployment resources, housing, and other programs. The pandemic-related layoffs and other activities also resulted in others in the community becoming much more aware of the workforce boards' importance.



LOOKING TO THE FUTURE

As the economy undergoes a series of seismic shifts, the workforce leaders recognize that they must help their constituents adapt and thrive amid new and accelerating labor market trends. This includes changing some tried-and-true recruiting practices, reframing job descriptions to focus more on skills, becoming more creative about how to improve job quality, and appraising career pathway opportunities through an equity lens. Boards are also responding to workforce development needs related to urgent societal challenges, such as infrastructure improvements and climate change, particularly the “greening” of occupations across the entire economy.

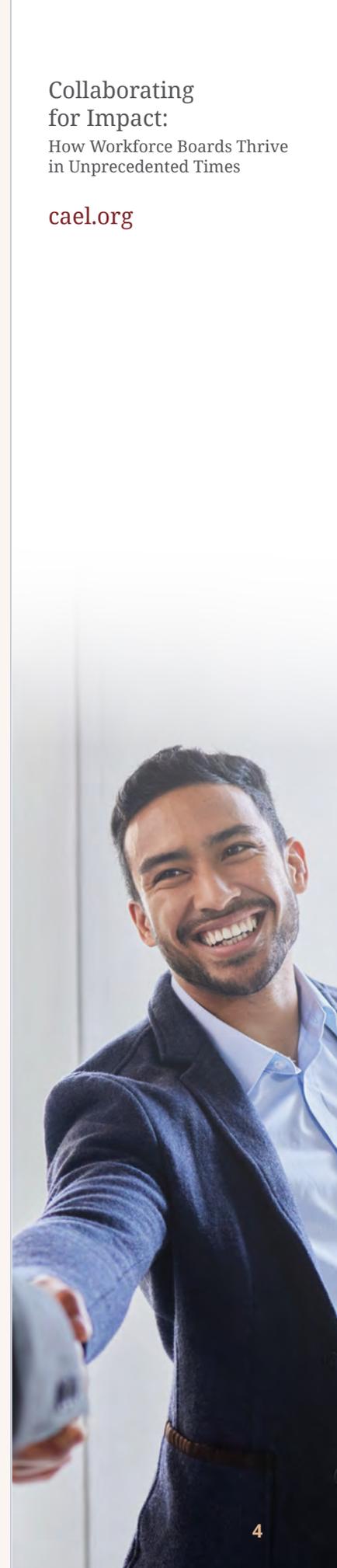
LESSONS LEARNED FOR SUPPORTING A NEW KIND OF WORKFORCE SYSTEM

The workforce board leaders we spoke to could operate differently because they had collectively found new approaches: a different governance structure through becoming an independent nonprofit organization, strong outreach and relationship building, and a leader with an entrepreneurial spirit. These assets gave them new sources of funding as well as greater flexibility and capacity to take on more ambitious and innovative approaches to workforce training and talent development.

The country will not meet its workforce development and training needs if it operates the way it always has. Instead we need public incentives to allow for:

1. The workforce board to serve as a true regional workforce intermediary.
2. Flexibility to connect with a range of different kinds of education providers.
3. Incentives and funding to support talent development through various steps along a career pathway.
4. Flexibility to use funding in new ways.
5. Incentives to increase equity in the labor market.

Our conversations with workforce board leaders made clear that we need to reimagine our workforce system: provide sufficient funding and align incentives so that the boards function more intentionally as regional workforce intermediaries — connecting learning and work, creating opportunities for inclusive economic mobility, and engaging in strategies that support entire career pathways.



Introduction

Today's labor market is full of change, challenges, and uncertainty. Although there is currently very low unemployment (with some employers desperate for workers), many jobs still do not pay family-sustaining wages or benefits. There is considerable racial stratification in the labor market, as workers of color are disproportionately represented in jobs with low pay, poor working conditions, and limited advancement potential. Meanwhile, skill and labor needs are constantly evolving (sometimes rapidly) due to automation, global market pressures, or dramatic influxes of federal infrastructure investments, not to mention that during this pandemic, workplace safety issues and a lack of childcare availability have introduced or exacerbated frustrations for job seekers and incumbent workers alike.

In the last two years, the nation's workforce development boards have focused on job training and placement and career advancement in the face of these and other challenges. Late last year, **CAEL spoke with five dynamic workforce development board leaders from across the country to gain a clear sense of how they operate, what their experiences were in the early days of the pandemic, and their preparations for meeting the changing labor market needs of 2022 and beyond.** Their workforce boards serve large regions in the Midwest, West, and Pacific Northwest, and they focus on a range of industries, such as aerospace, information technology, advanced manufacturing, and energy, including renewables. In this brief, we share the highlights of these conversations.

Prior to the pandemic, several board leaders had successfully diversified their funding sources and expanded their capacity and effectiveness in meeting their regions' economic development and talent needs. This entrepreneurial approach helped to expand their impact beyond the administration of federal and state workforce programs, whose rules and regulations can sometimes constrain innovation and new approaches to talent development.

The creativity these leaders have shown in meeting their regions' workforce needs illustrates how we may be overdue for reimagining and reinventing the nation's workforce system. As noted in a [series of policy papers](#) in early 2021, we have grossly underinvested in workforce training. A new approach with greater flexibility is needed — one that will encourage more collaboration and innovation among various regional partners, bolster high quality training along with the support services that will help job seekers succeed, and provide greater incentives to think — and operate — more effectively.

An
entrepreneurial
approach helps
to expand impact
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NOVAworks is a nonprofit, federally funded employment and training agency that provides customer-focused workforce development services. It works closely with local businesses, educators, and job seekers to ensure that its programs provide opportunities that build the knowledge, skills, and attitudes necessary to address the workforce needs of Silicon Valley.



EmployIndy is Marion County's local workforce investment board and provides expertise, identifies tools, and prioritizes resources to develop, create, or find the best talent needed to power the Marion County economy.



The Workforce Alliance of South Central Kansas provides a one-stop resource for job seekers and employers. At the Workforce Centers, job seekers find the tools and training needed to build successful careers, and employers find help with their hiring, training, or human resources needs. Because many local, state, and federal organizations help provide these valuable services, most are available free of charge.



Worksystems, Inc. is a 501(c)3 nonprofit organization that pursues and invests resources to improve the quality of the workforce in the city of Portland and the counties of Multnomah and Washington. It develops policies and designs workforce development programs and services delivered through a network of local partners to help people get the skills, training and education they need to go to work or to advance in their careers. The organization's partners include employers, labor groups, government, community colleges, high schools, and community-based and economic development organizations.



The San Diego Workforce Partnership leads innovative workforce solutions in San Diego County. It funds and delivers job training programs that enable all job seekers to develop the skills and knowledge needed for in-demand careers. Its vision is that every business in the region has access to a skilled workforce and every job seeker has access to meaningful employment.

Operating In A Changing and Challenging Labor Market: The Value of Collaboration And Entrepreneurial Thinking

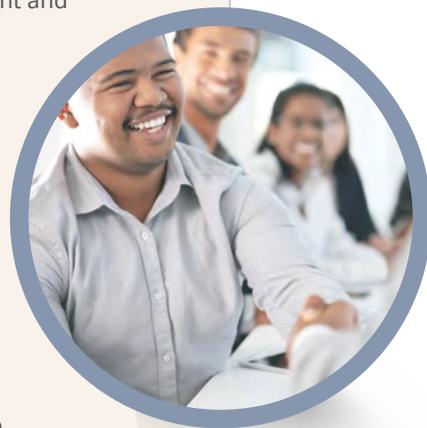
When talking about their organizations and ways of operating — both leading up to and during the pandemic — the workforce leaders noted several common challenges, including insufficient access to data, a lack of coordination among the various agencies they work with, and funding gaps. But these leaders also described the ways they have driven talent development and job placement in their communities through creative partnerships with a variety of different parties, including: postsecondary education institutions, the K-12 system, employers, and economic development organizations.

Partnerships can help expand scope, reach, and impact for any organization. The workforce leaders reported that an entrepreneurial approach that leveraged local partnerships has helped them diversify their revenue sources so that they are now far less dependent on more restrictive funding streams such those from the **Workforce Innovation and Opportunity Act (WIOA)**. In addition, some found that their participation in partnership development positioned them to take on leadership roles in their communities' efforts to address equity in the labor market.

POSTSECONDARY EDUCATION PARTNERSHIPS

Although the workforce board leaders all reported relying on more traditional partnerships with workforce training organizations and community college career and technical programs, we also heard about ways in which boards had established innovative partnerships with postsecondary institutions. These partnerships helped them to develop expanded career pathways for the workforce beyond just the initial job placement.

The Workforce Alliance of South Central Kansas provides a good example. Keith Lawing, president and chief executive officer for the Alliance, said that it works with community colleges in its region to establish two different kinds of career pathways to meet both short-term training needs as well as longer-term talent development. One of those partnerships supports a career pathway relevant to the area's prominent aviation manufacturing sector that allows students to concurrently progress through a sheet metal training program at WSU Tech as well as an engineering degree from Wichita State University.



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NOVAworks provides a different approach to educational partnership. Kris Stadelman, then-director of the agency, said she regularly worked with a four-year university extension program to address the unique needs of the job seekers and incumbent workers in its area, many of whom are IT workers who already have bachelor's degrees. She noted that for many tech employers, "If someone's degree is more than a decade old, then it isn't considered current," so when workers are laid off, they seek opportunities to update their skills through targeted short-term certificates. NOVAworks' partner university quickly develops short-term programs to meet current training needs. These certificates can add relevancy and recency to someone's academic credentials, and for this industry, having the certificates conferred by a university can be important.

Another unique partnership between a workforce board and postsecondary education involves a completion program launched by the mayor of Indianapolis. This program provides **EmployIndy** with a revolving loan fund that supports students in arrears with the bursar's offices at a local community college and four-year university. EmployIndy has onsite staff at both locations who engage students who have made progress toward completion but may be at risk of discontinuing because of financial challenges. Providing this financial support has resulted in improved retention rates for the community college and university of 12 and 7 percent, respectively — while helping to maintain the institution's needed tuition revenue. Angela Carr Klitzsch, president and CEO of EmployIndy, is encouraging additional higher education institutions in the region to adopt such practices.

Developing short-term certificates with postsecondary institutions can help transitioning workers upskill to meet employer needs.





K-12 PARTNERSHIPS

The workforce board leaders did not limit their focus to current job seekers, and they viewed partnerships with their local K-12 systems as important investments in their regions' future workforces. Some noted that they are partnering with local school systems to promote broader discussions around career opportunities at younger ages. The purpose of these efforts, noted Peter Callstrom, president and CEO of the **San Diego Workforce Partnership**, is to “reach the community where the need is, be inclusive, and not leave people behind in your own backyard.” Board leaders also saw this approach as an important equity strategy, noting that young people are much more diverse than the established regional workforce. And yet, too often, new high school graduates don't have a lot of career direction. Andrew McGough, executive director of Portland, Oregon's Worksystems, Inc., said that this group ends up “floating around [the labor market] for years and years,” observing that the average age of a carpenter apprentice is 29. That equates to ten years of lost income post-high school. Hence the focus on K-12 engagement: “The quicker we can connect someone to a higher-wage job and career, the better off everybody is.”

Lawing, of the Workforce Alliance of South Central Kansas, goes beyond career advising with regional youth and has implemented work-based learning opportunities supported by Carl Perkins funds. The partnership with area high schools strengthens ties between classrooms and careers by encouraging area employers to conduct classroom visits and host company tours for students. As an added benefit, although this program is not WIOA-funded, it has the potential to identify WIOA-eligible students who can be referred to the board's youth employment program in the summer, when the board itself becomes a youth employment destination, hosting paid externs from the local school district.



EMPLOYER AND ECONOMIC DEVELOPMENT PARTNERSHIPS

In our conversations, we also heard examples of how boards are working closely with key employers and industries to strategically align talent development with economic development. In many cases, these partnerships were part of sector-based strategies designed to support career pathways in growth industries. These approaches often supported the increasing focus among state and public officials on the need to ensure an inclusive labor market in which higher quality jobs and career advancement are available to all. In addition to upholding commitments to equitable economic growth, the partnerships offer operational benefits that are critical in areas lacking strong population growth. Rather than seeking to import talent, communities can focus on underrepresented groups present in the community that can benefit from pathways to quality jobs in expanding industries.

For example, Stadelman described how NOVAworks took a leadership role in a new state-funded initiative around diversity and equity. It is providing train-the-trainer workshops to

INVESTING IN TALENT DEVELOPMENT AND EXPECTING A RETURN:
THE WORKFORCE INCOME SHARE AGREEMENT FUND

When it comes to workforce training, workforce boards reliant on WIOA funding have limited options. There might only be \$5,000 for an individual training account that a worker can take to a provider on the eligible training provider list for short-term training — that doesn't go far in training someone for certain high-skill, high-paying jobs with good career trajectories. The San Diego Workforce Partnership is joining forces with the UC San Diego extension to provide training opportunities in IT that are more expensive but that result in much higher wages and placement in high-demand, high-growth occupations. In exchange, job seekers/workers agree to pay a fixed percentage of their income for a fixed period of time, making Income Share Agreement (ISA) payments only when they are employed and earning more than the minimum income threshold of \$40,000 per year. To date, the average wage for program completers is around \$55,000 per year, with a handful earning more than six figures. Investors in this initiative include Google, The James Irvine Foundation, and Strada Education Network (note: CAEL is part of the [Strada Collaborative](#)). The wellbeing of participants is paramount in the program, and all proceeds are reinvested in the fund to keep rates as low as possible and to perpetuate the process.

Although the jury is still out on ISAs — the U.S. Department of Education and others have voiced [criticisms of the funding mechanism](#) and the possible risks to students — Callstrom is “bullish” on them because, compared to existing workforce funding streams, they have the potential to train a lot more people and get them into skills and jobs that pay well. He notes, “It is difficult work, though. You have to raise money, write grants, and build relationships. You have to hustle, you have to be building a business. That's not the DNA of workforce boards often, but it should be.”

employers, local governments, chambers, and economic development groups so that they can instruct their own members and departments on how to recruit, hire, and retain workers based on skills rather than pedigree. By emphasizing skills-based hiring rather than college degrees for most jobs, the organization seeks to expand talent pools to communities that have long been overlooked. Stadelman thinks that this could open up new opportunities for many underrepresented communities, including people with disabilities and the formerly incarcerated. “We really think that this could make a difference. And then employers who didn't know us before may, in fact, come back to us to access some of those talent channels that they don't normally tap.”

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The Workforce Alliance of South Central Kansas had built a close working relationship with the local economic development organization (EDO) and a large public postsecondary institution to support talent development for the region's large aerospace employer and corresponding supplier network, Lawing said. This partnership originally developed in response to a significant loss of local talent during the previous decade's Great Recession, when laid-off workers left the region to seek employment elsewhere. Industry leaders, in partnership with the EDO and the Alliance, recognized that they needed to work together to ensure a strong local talent pipeline that could survive future downturns. In this partnership, the Alliance engages with the postsecondary institution to prepare the workforce for entry-level jobs, and the EDO provides advertising and marketing campaigns to get the word out about training and employment opportunities in the industry. Having that marketing program in place during the initial pandemic recovery, in late 2020, was particularly helpful for getting the word out about training opportunities, complementing the efforts of rapid response and other public sector-led unemployment initiatives. The campaign could be targeted to zip codes with high concentrations of workers laid off by aviation companies. The partnership around marketing and job training could then be replicated for other key industries such as health care, IT, and other manufacturing.

EmployIndy is a key player in a multi-stakeholder partnership that includes an association of the 50 largest companies in the region. According to Carr Klitzsch, the partnership is designed to support an economic development strategy focused on retaining graduates of the region's two- and four-year institutions — in other words, reducing the region's "brain drain." Five key industries in this association (advanced manufacturing logistics, technology, clean energy, life sciences, and agriculture) are united in their focus on regional talent development and management. The partnership has created a multi-organizational platform for job openings among the employer association's members as well as more than 300 small- and mid-sized employers that it has relationships with. Job seekers and dislocated workers without a high school diploma are directed to their American Job Center or one of the local training providers that can help them become job ready, and those with a four-year degree and fewer than four years of experience are directed to the employer association's talent initiative. Carr Klitzsch notes that this model is working well because "We've clearly defined roles and responsibilities within the partnership" while providing users a "singular tool for the marketplace to be able to directly connect talent coming through our supply chains to employers hungry for [talent]. And of course, we're doing it through skills-based matching."



Dealing With Unprecedented Times

“Everything has changed. And when I say that, I mean, there is nothing that hasn’t changed.” That’s how Stadelman described the impact COVID-19 has had on Silicon Valley’s employment landscape. But her words could speak for any of the other interviewed workforce board leaders. Throughout the pandemic, workforce development boards have had to face the reality that much of what worked before would need rethinking if not reimagining. That includes training models, support services, employer hiring practices, and employment benefits. The need for reinvention and reimagination often applied to their own roles. Abrupt shutdowns made workforce boards, job centers, and other support services all the more vital. And yet, as millions of workers became jobless, those whose role it was to serve them were suddenly required to leave their offices and work remotely. Workforce boards had to quickly route incoming calls to home offices and connect staff to VPNs. Early in the pandemic, more than 90 percent of such calls were about unemployment benefits, estimated Stadelman. Carr Klitzsch noted that her state had recently transferred its unemployment insurance processes to a fully digital environment, a new process that still was not able to meet the massive increase in claims driven by the pandemic. Her region was not alone. Thousands of miles away, McGough recalled how unemployment system challenges were a concern to “everyone, from his U.S. senators all the way down to state representatives.”



Workforce boards had to find ways to reengage with displaced workers beyond these triage interactions. Like their counterparts in K-12 and higher education, training providers had to adapt workshop curricula to be effective and agile in virtual environments. There were other digital barriers to surmount, like communicating secure documents and signing applications. For Stadelman, it was one month into the pandemic before the organization could resume enrolling the now-large number of new job seekers. With the “unforeseeable business circumstances” associated with a global pandemic, mass layoffs were taking place, and not with the customary 60-day Worker Adjustment and Retraining Notification (WARN) provisions. Many of these newly unemployed workers — sometimes tens of thousands at once — were in the service sector, and it was often challenging to reach them through traditional channels, including word of mouth. With churches, community activities, and other social engagement settings shuttered or severely curtailed, boards had to come up with new outreach strategies.

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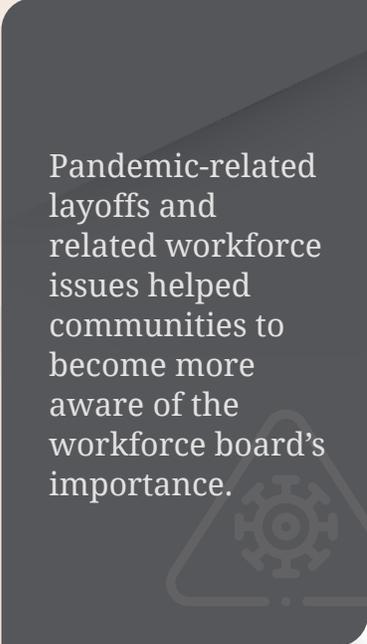
Stadelman recalled how NOVAworks turned to organized labor, immigrant community groups, and other organizations it hadn't regularly worked with in the past that had well-established contacts with the people the board needed to reach.

Creative collaboration also led to novel approaches: Worksystems (Portland, Oregon) worked with a local immigrant-refugee advocacy organization to set up a virtual call center that was able to assist customers in about a dozen different languages. When other government agencies struggled with the task of distributing CARES Act benefits like rental assistance and non-standard unemployment benefits, Worksystems stepped up again. The organization's experience working with a broad network of community partners and diverse funding streams meant that it had the capacity and know-how to reach citizens in need. It ended up playing a critical role in disseminating resources like childcare, basic income support, and assistance to undocumented workers who were ineligible for unemployment benefits. Recalls McGough, "I think part of the good news story is that we realized that we had this administrative capacity and community-based network that was a really appealing and quite effective way for local government and state governments to use to distribute resources rapidly to the people that need them."

Lawing noted that pandemic-related layoffs and other activities also resulted in others in the community becoming much more aware of the workforce board's importance. For example, the Workforce Alliance of South Central Kansas' ability to provide labor market analysis met a critical need, strengthened relationships with economic development organizations. In addition, since the pandemic highlighted the reality that many people enrolled in workforce development programs are from low-income households and at risk of being homeless, Worksystems was able to establish direct connections to rental assistance and other benefit programs, said McGough.

Workforce board leaders agreed that what their communities experienced during this pandemic was different from any other prior crisis. Far from following a linear path, the pandemic has dragged on through multiple waves and variants. However, as the above examples show, some workforce boards have exercised creativity and resourcefulness to help those most affected by COVID-19 and in need of their support.

Pandemic-related layoffs and related workforce issues helped communities to become more aware of the workforce board's importance.



Looking To The Future

The workforce board directors all recognized that we are in a transitional moment. As the economy undergoes a series of seismic shifts, they must help their constituents adapt and thrive amid new and accelerating labor market trends. This includes changing some tried-and-true recruiting practices, reframing job descriptions to focus more on skills, and becoming more creative about how to improve job quality and appraise candidates. Boards are also responding to workforce development needs related to the growing industry focused on addressing climate change and the “greening” of occupations across the entire economy. Stadelman hopes that workforce boards don’t underestimate the power of ingenuity. “Any number of imagined reasons stand in people’s way when trying to see a new future that may not recognize the expertise that they were sure worked for them in the past,” she said. “It is possible if they have the funding, the flexibility, and the permission to innovate.”



SHIFTING FOCUS TO THE ‘NEW DEMAND SIDE’ OF THE LABOR MARKET EQUATION

Stadelman noted that workforce boards have spent decades focused on how job seekers should package themselves to meet employer expectations. Going forward, she argued, boards must instead prioritize helping employers package jobs so they are attractive to workers. “Recruiting used to be all about what employers demand, and now it’s about what do workers want,” she said.

Lawing shared the challenge of counseling companies about adapting to this new paradigm. “Ninety percent is about what comes with the job, and ten percent is about what the job is,” he said. But emphasizing salary and benefits and providing worker flexibility run contrary to traditional corporate habits, which must change if companies hope to remain competitive in recruiting talent.

Carr Klitzsch added that EmployIndy is planning to enhance its system with a way to formally recognize employers that prioritize job quality. While acknowledging that premium wages are typically the clearest indicator of a good job, she stressed that there are additional “paths up the mountain.” They include a focus on workplace diversity, employee resource networks, and competency mapping of career pathways.

When it comes to promising career pathways, workforce board leaders agreed that individual skills and interest matching should take priority over the impulse to steer people toward opportunities regardless of whether they are an ideal fit. Stadelman planned an in-depth, two-week boot camp where participants could take a deep dive into what their aptitudes and interests are, how they compare to what's in the labor market, and what training would fill that gap. The goal is to help people make better choices about what they are good at and how they'll be successful. Similarly, Callstrom said the San Diego Workforce Partnership is trying to seize what he views as a historic time to help people reskill. "We don't want people just to go back to the same old thing if they want to do something new," he said. "We don't want a world full of coders, we want a world full of fulfilled and happy people who love what they do." Carr Klitzsch spoke about the importance of using skills matching versus education as a proxy. "It's part and parcel of a matchmaking strategy that uses other criteria beyond educational attainment."

For McGough, workforce initiatives need to consider the whole person. "COVID-19 showed that workforce development wasn't just about skill development," he said. "It includes other connections, like housing, food insecurity, childcare – they all matter." Stadelman added that attention to digital skills is also a key component. Because searching for jobs, applying for them, and, often, interviewing for them can require a comfort level with technology, NOVAworks offers learning labs and technical assistance for those who need it. "We used to talk about digital literacy, and now we talk about digital fluency," she said. For people who lack WiFi or other resources needed to connect to the internet from home, the board offers a room and a computer where job seekers can conduct searches and attend online interviews.



PLANNING FOR INFRASTRUCTURE FUNDING AND A "GREENING" ECONOMY

Our conversations with the workforce development board leaders took place just before Congress passed the Infrastructure Investment and Jobs Act (IIJA), so one area of discussion was the extent to which their organizations had the capacity to take on new initiatives — and related funding — to prepare workers for infrastructure-related jobs. Their responses indicated that the influx of new workforce development funding from this piece of legislation was indeed on their minds. Callstrom believes the organizational growth at the San Diego Workforce Partnership over the previous five years, in terms of both revenues and staff, has created capacity to take on new initiatives and deploy the new funding. McGough noted that Worksystems had proved its capacity to distribute federal dollars for various community needs, based on the role it played in paying out financial benefits during the first year of the pandemic.

The San Diego Workforce Partnership received help in developing its capacity to plan for new infrastructure funding: a philanthropic foundation reached out in early 2021 with funding to develop a new initiative around construction careers and to support additional planning activities for how to support potential infrastructure projects through workforce development investments.

Three of the boards had already considered the ways in which new funding streams — whether through ARPA or IIJA, or perhaps even new climate change funding— could help them tackle challenges that existing funding does not allow. Two of the leaders noted that additional

resources could help improve completion rates for longer-

term training programs for high-demand occupations

by providing stipends for participant living expenses

or incentive dollars for trainees who complete the

programs. For example, Stadelman has proposed

providing a stipend of \$500 per month for up to a

year for people in training. It would supplement,

not replace, other support, such as assistance

earmarked for childcare, transportation, books,

or technology. “We see that as the way to make a

permanent change in people’s situations,” she said of

the proposal, which is before local governments.



There was also discussion about the possibility of significant federal investments in climate change mitigation industries. (Those investments were recently included in the recently-passed Inflation Reduction Act.) The workforce board leaders observed that those industries were already growing rapidly, even without the additional federal subsidies and incentives. While there is currently no clear definition of what constitutes a “green job,” the greening of existing occupations was already a reality for their local economies: technology companies are investing heavily in climate change solutions, electricians are installing electric car charging stations in residences, and occupations like procurement and trash collection have to reckon with environmental impact issues of their work. Callstrom noted that the San Diego Workforce Partnership’s sector strategy lists clean energy/green jobs as one of its priority sectors, and it’s already partnering with leading employers and education providers on job training initiatives. Similarly, Worksystems is in a region that has been hit hard by climate change effects, so there is political will to invest heavily in that sector; the region has designated some corporate taxes to create a “clean energy fund” that invests in workforce development and in green projects in underserved communities. Carr Klitzsch added that EmployIndy is planning an equity-focused green jobs apprenticeship program with city leaders and an employer.



LESSONS LEARNED FOR SUPPORTING A NEW KIND OF WORKFORCE SYSTEM

As they adapt to continual changes in the workforce landscape, workforce boards can play an important role in advancing new models for training and hiring – models that focus on supplying talent for in-demand occupations and supporting work-and-learn pathways to good jobs and careers. Our current system, grossly underfunded and hampered by regulatory constraints, is not, however, how we are going to get there. The workforce board leaders we spoke to could operate differently because they had found new ways to operate that gave them new sources of funding, as well as greater flexibility and capacity to take on more ambitious and innovative approaches to workforce training and talent development. As Carr Klitzsch noted, “The most innovative and creative things are happening external to the WIOA system.” In particular, three features supported these boards’ ability to create new models outside of the traditional WIOA mold:

1. **Governance structure.** Callstrom, reflecting on how it is that the San Diego Workforce Partnership was so successful in raising funds for new and innovative partnerships, noted that one key ingredient is being a 501(c)(3), an independent nonprofit organization. That status gives the Partnership the flexibility to raise funds and operate outside of the bounds of what other government agencies typically can do. To be sure, Callstrom doesn’t have full rein. There is a board of elected officials, but they give him considerable freedom to be entrepreneurial. Callstrom noted, “When we succeed, our board leaders have been instrumental in providing us with the freedom to be entrepreneurial and can also champion the work. If we fail, we learn and adjust. We cannot operate out of fear of failure. Failure or stumbles are oftentimes the pathway to the success you are after.”
2. **Strong outreach and relationship building.** The examples outlined in this report highlight the kind of training and talent development partnerships that are possible when boards recognize that they can get more done when they widen their collaboration — including with fellow workforce boards from around the country. Within individual workforce boards, personnel can amplify awareness through robust communications teams that effectively target outreach to other stakeholders in the region. Public officials get to know them and not only want to partner with them but also help spread the word to others that the workforce board can be good to work with.
3. **A leader with an entrepreneurial spirit.** Going after new funding and new opportunities is not easy and requires thinking beyond the bounds of the typical workforce board role. Callstrom believes that there can be “complacency in our field. If a workforce board is okay with just federal formula funds, then they are missing out on opportunities to make a much bigger impact with other potential

partners. We were like that years ago. There was risk aversion to anything new or different. If we avoid new ways of approaching the work (such as broad communication strategies, deep data analytics, robust customer service standards, etc.), then we will become less effective, more at the whim of limited public funding, and ultimately irrelevant. The alternative is much better: a culture of collaboration, creativity, and desire for excellence is the foundation for positive change.”

The reimagining of workforce boards by their leaders might seem like a daunting task, but aspiring leaders should think about how to learn from others in similar roles. Carr Klitzsch recalled how when she was tapped to lead EmployIndy, she learned a lot about innovation and entrepreneurship from mentors in the field, including CAEL’s president, Earl Buford, who at the time was leading Partner4Work, the workforce board in Pittsburgh. Today, Stadelman and Callstrom are joining other leaders to cofound [PeerWayz](#), a peer mentoring network for workforce leaders that focuses on professional development. They are now assembling its inaugural cohort, which includes workforce board directors from three states.

The entrepreneurial approach is indeed key, and one way to make this approach more common is to provide the right kind of public incentives that encourage a new kind of workforce board leader. Incentives are needed to allow for:

- **The workforce board to serve as a true regional workforce intermediary.** Workforce boards can capitalize on the force-multiplier effects that emerge among complementary collaboration. They can sustain awareness of these incentives by anchoring viable connections between learning and work in their communities. Encouraging educators and employers to remain engaged and proactive also sustains momentum to take on future opportunities.
- **Flexibility to connect with a range of different kinds of education providers.** Community colleges tend to be front and center of the liaison between workforce and education initiatives, but diversifying education partners supports a complete roadmap to building robust career pathways and economic mobility.
- **Incentives and funding to support talent development through various steps along a career pathway.** As Stadelman said, “It’s really not about a job anymore, it’s about work. It’s not so much about degrees, it’s about skills. And it’s not about workers, it’s about talent.”



- **Flexibility to use funding in new ways.** The increasing awareness of workforce development's root role in facilitating equitable economic mobility is evident in converging funding opportunities. The leaders we spoke to were often engaged in initiatives that included income support, training stipends, child care, transportation, housing, and other financial support. Whether serving as a conduit of partner funds or directly expanding their own funding scope, workforce boards can increase the value they create for their communities and position themselves for new opportunities.
- **Incentives to increase equity in the labor market.** By leveraging inclusive workforce development strategies, workforce boards have an opportunity to expand employers' talent pools and diversify workforces, particularly in occupations that are often racially homogenous and/or male-dominated. Inclusive talent pipelines can also reach justice-involved individuals, immigrants, people with disabilities, and other populations. By marrying the ethical imperative of advancing equity with the economic imperative of fueling talent pipelines, workforce boards can provide a multidimensional solution to nourishing community prosperity.

However creative their efforts, it isn't realistic to expect the leaders of often underfunded workforce boards to single-handedly meet our nation's workforce development and training needs, much less achieve greater equity, inclusiveness, and economic mobility in our labor market. Rather, what these conversations with workforce board leadership suggest is that we need to reimagine our workforce system: provide sufficient funding and align incentives so that workforce boards function more intentionally as regional intermediaries that connect learning and work, create opportunities for inclusive economic mobility, and engage in strategies that support entire career pathways.

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KRIS STADELMAN, FORMER NOVAWORKS DIRECTOR