

ETA Sector Strategies Technical Assistance Initiative

Sector Strategy Implementation Framework



Overview

Sector strategies — regional, industry-focused approaches to building skilled workforces — are one of the most effective ways to align public and private resources to address the talent needs of employers. While not new, there is a growing body of evidence showing that sector strategies are workforce interventions that can simultaneously improve employment opportunities for job seekers and the competitiveness of industries. As such, sector approaches have received renewed interest from government, the business community, and philanthropy.

Many regions and a majority of states are now investing in sector strategies as stand-alone initiatives or as components of other activities. In addition, a number of national initiatives and federal laws (including the Workforce Innovation and Opportunity Act) are emerging that are driving workforce organizations, in particular, to embrace these approaches.

What is a Sector Strategy?

A sector strategy is a partnership of employers within a critical industry that brings together education, economic development, workforce systems, and community organizations to identify and collaboratively meet the workforce needs of that industry within a regional labor market.

How Does It Affect What a Workforce Organization Does?

Sector strategies represent a new way for workforce organizations to conduct business: moving from a “program administration” focus to a more strategic role building regional talent pipelines, addressing skill gaps, and creating meaningful career pathways for a range of workers in important regional industries.

But What Are True Full-Scale Sector Strategies?

Most workforce organizations haven’t yet fully embraced the power of true sector strategies. Sector strategies are not add-on programs. They are not individual training initiatives in a particular sector. Rather, they represent a new way for workforce organizations to conduct business: moving from a “program administration” focus to a more strategic role building regional talent pipelines, addressing skill gaps, and creating meaningful career pathways for a range of workers in important regional industries. A demand-driven full-scale sector strategy means putting the business community in the middle of their services, and thinking more broadly about what a workforce organization or intermediary can do to help businesses thrive and grow beyond simply placing workers in jobs and arranging training.



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What We Already Know About Sector Strategies

Thankfully, excellent resources already exist to help us understand *how* to build sector strategies, and ETA has partnered with leaders in the field, including the National Governor’s Association (NGA), the National Network of Sector Strategies Partnerships (NNSSP), and the National Fund for Workforce Solutions, to catalog and share what effective sector strategies look like.

These partners tell us that all successful sector strategies have certain common principles. Great sector approaches:

- ☑ *Serve the dual purpose* of aligning education, training, and support services to the needs of employers in an industry sector, while ensuring that those services are accessible to a range of workers
- ☑ *Require a strong intermediary organization* that sustains energy, coordinates dialogue, and brokers relationships among service providers and employers in carrying out the partnership’s agenda
- ☑ *Are employer-driven*, wherein employers recognize their self-interest in, need for, and the potential of the partnership
- ☑ *Promote systemic change* that benefits workers of all wage and skill levels, the industry, and the community at large
- ☑ *Include the workforce system as a central player* in any number of roles, such as the neutral intermediary body, the manager of operations and funding, and/or the source of labor market information

ETA’s Sector Strategy Implementation Framework

Working with our partners, ETA has constructed the following framework, drawing from these principles.

The framework is meant to guide workforce organizations to more effectively *operationalize* sector strategies. Along with its companion, “**Sector Strategies Organizational Self-Assessment**,” the framework allows organizations to understand across an existing sector partnership—or across their own organization—how well they are implementing sector approaches today and where future enhancements can be made.

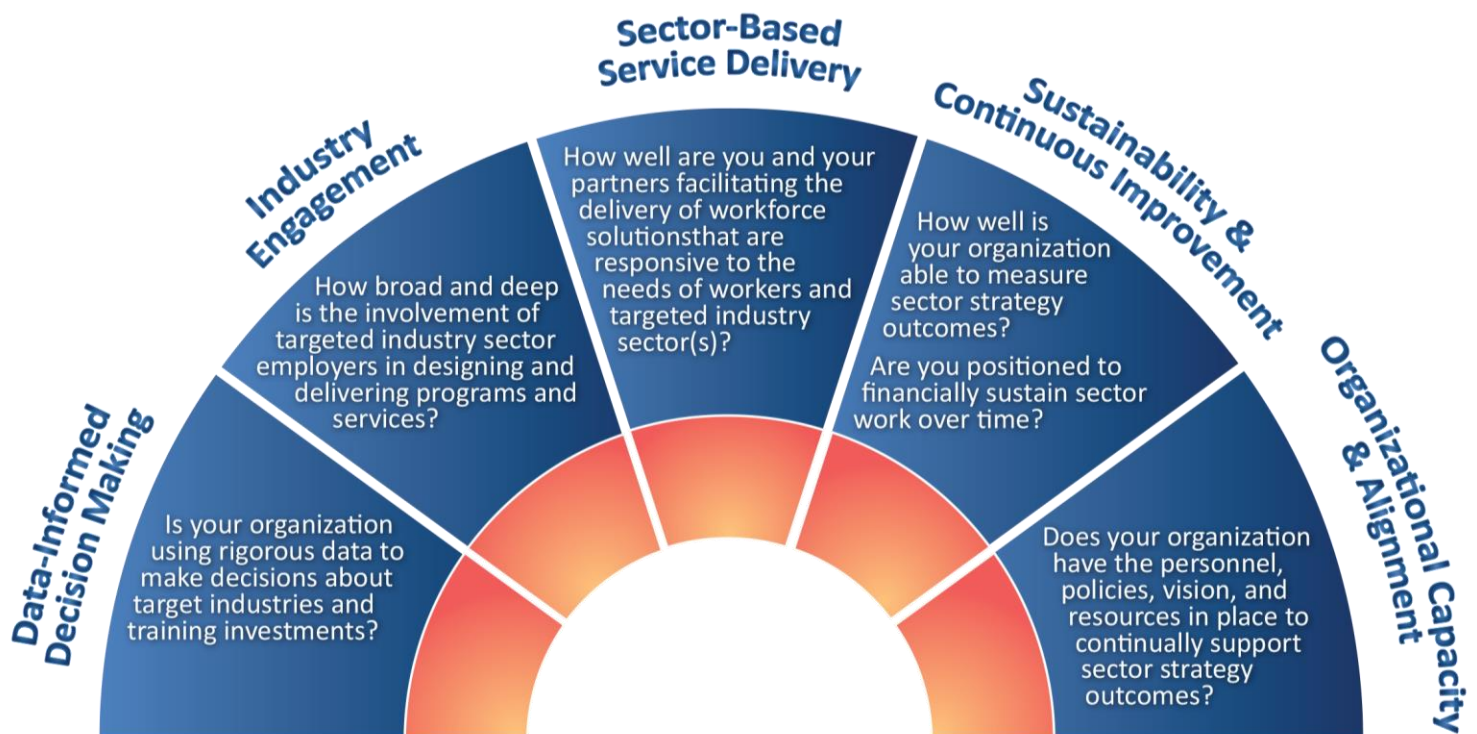
As more sector strategies launch, develop, and mature, this type of implementation framework can help partnerships build quality and lasting sector strategies. It can also speed the replication of sector best practices across the country.

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ETA's Sector Strategies Framework draws from emerging research and practices to advance "five key capabilities" of successful sector-focused organizations that state and regional workforce collaboratives will want to master in implementing a sector approach. They include:



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Aligned to each capability are "descriptors" that help determine an organization's progress toward goals (see below). The framework serves as the foundation for the "Sector Strategies Organizational Self-Assessment Tool" which can be found on the Sector Strategies webpage on <http://businessengagement.workforce3one.org>.

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Capabilities of High-Performing Sector-Focused Organizations	Descriptors
DATA-INFORMED DECISION MAKING <i>Is your organization/partnership using rigorous data to make decisions about target industries and education and training investments?</i>	✓ <i>Understanding of the region's most important industry sector(s)</i> through use of rigorous economic, industry, and labor market data collection and analysis ✓ <i>Use of traditional and real-time LMI and workforce planning information</i> to identify specific skill needs, level of demand, and area education and training program gaps within target industries ✓ <i>Provision of data that is understandable and shared across partners</i> to enable collaborative decision-making
INDUSTRY ENGAGEMENT <i>How broad and deep is the involvement of targeted industry sector employers in designing and delivering programs and services?</i>	✓ <i>Regional influence to bring key industry leaders to the table</i> and position them to drive sector strategies ✓ <i>Industry as a strategic partner</i> in designing and executing services and programs ✓ <i>Capability to take on the sector partnership intermediary role</i> if required
SECTOR-BASED SERVICE DELIVERY <i>How well are you and your partners facilitating the delivery of workforce solutions that are responsive to the needs of workers and the targeted industry sector(s)?</i>	✓ <i>Capability to fill the industry's near-term workforce needs</i> ✓ <i>Capability to meet the industry's longer-term pipeline needs</i> across a range of skill levels ✓ <i>Ability to overcome barriers for lower-wage workers</i> in order to facilitate employment and career advancement within the targeted sector(s) ✓ <i>Experience with and capability to develop effective, employer-validated career pathways</i> in support of the target sector(s) ✓ <i>Experience with and capability to design and implement, with employers, work-based learning models</i> in targeted sector(s) ✓ <i>Partnerships with the right regional organizations</i> to deliver comprehensive solutions in response to target industry sector(s) needs—while minimizing the duplication of services ✓ <i>Willingness and ability to respond to non-workforce needs</i> directly related to the industry's economic development or growth opportunities

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Capabilities of High-Performing Sector-Focused Organizations	Descriptors
SUSTAINABILITY & CONTINUOUS IMPROVEMENT <i>How well is your organization able to measure sector strategy outcomes? Are you positioned to financially sustain sector work over time?</i>	✓ <i>Ability to “build the buzz” about the value of sector partnerships</i> as a means to continuously secure stakeholder buy-in ✓ <i>Sector partnership measures of success identified</i> and tracked with continuous improvement processes built in ✓ <i>Sustainable funding source(s)</i> to establish and expand sector partnerships
ORGANIZATIONAL CAPACITY AND ALIGNMENT <i>Does your organization have the personnel, policies, vision, and resources in place to continually support sector strategy outcomes?</i>	✓ <i>Organizational commitment</i> to bring partners to a shared vision ✓ <i>Organizational culture</i> that promotes a demand-driven approach within a sectors framework ✓ <i>Organizational structure</i> (administrative policy, committee structure) that supports industry engagement within a sectors framework ✓ <i>Staff have expertise</i> about current target industries and have opportunities to hone knowledge as targets change