America's Promise Grants



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Employer Perspectives on Regional Workforce Partnerships

Issue Brief: Lessons from America's Promise

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March 2022

The regional partnerships supported by the America's Promise Job Driven Training (America's Promise) grants emphasized the importance of employers in identifying, designing, and delivering workforce training to create talent pipelines (DOL 2016). Specifically, the grantees—typically workforce development agencies or community colleges-were required to partner with at least five employers or industry groups to support efforts to train unemployed, underemployed, and incumbent workers for careers in high-growth industries, such as health care, information technology, and advanced manufacturing.¹ The evaluation of America's Promise provided a unique

Study Chief Evaluation Office U.S. DEPARTMENT OF LABOR background This issue brief is part of a study funded by the U.S. Department of Labor (DOL), Chief Evaluation Office that explores the implementation and impact of the America's Promise Job Driven Training grants, which 23 organizations received in 2016. These four-year grants, funded by DOL's Employment and Training Administration, support creating and expanding regional partnerships-including workforce development agencies, institutions of higher education, economic development agencies, employers, and community-based organizations-aimed at preparing workers for careers in middle- to high-skilled industries and occupations.

opportunity to hear directly from employers on their collaboration with the workforce development system.

This brief draws on 31 interviews with employer representatives² to describe why they chose to participate in regional workforce partnerships, how they helped shape partnership activities, what they perceived as successes and areas for improvement, whether they planned to sustain involvement, and what findings might provide insights for employer engagement more broadly. The insights in this brief are drawn from the perspectives of the 31 interviewed employers (herein referred to as "employers" for ease of reference). Although the interviewed employers are not representative of all employer partners, they provide a range of perspectives across target industries and business sizes and types (Exhibit 2).

Exhibit 1. Summary of findings from 31 employer interviews

Why did employers participate in the America's Promise partnerships?	• Employers identified five reasons for participating: to (1) help shape workforce system strategies, (2) strengthen talent pipelines, (3) fund training development and work-based learning, (4) show commitment to their communities, and (5) diversify their workforces.
How did employers	 Employers described playing multiple roles in the America's Promise partnerships, but
report contributing to	most often served on advisory boards, support work-based learning opportunities, and
partnership activities?	employ individuals who complete training.

¹ The funding opportunity announcement defines these as industries and associated jobs as those which "1) are projected to add substantial numbers of new jobs to the economy; 2) have substantial job vacancies currently available; 3) are being transformed by technology and innovation that require workers to obtain new skill sets; or 4) have a significant impact on the economy overall or on the growth of other industries and occupations." (DOL 2016) ² The evaluation team conducted employer interviews during 17 of 18 virtual site visits but was unable to interview employers during 1 visit. Grantees helped identify a selection of employers that they felt were most engaged for interviews. As context, interviews occurred in 2020 during the COVID-19 pandemic. For more information on sector strategies during the pandemic, see <u>Bellotti et al. 2021</u>.

What did employers value and suggest as areas for improvement?	 Interviewed employers perceived regional partnerships as successfully supporting high quality training, improved employee retention, industry growth and collaboration, and a stronger and more diverse pipeline of skilled workers. Select employers highlighted the need for more training funds, further tailoring of training to industry needs, and child care and transportation supports for participants.
Did employers plan to sustain partnerships and training activities?	 Of 31 employer respondents, 30 stressed that collaboration to advance workforce development in their regions would continue beyond the America's Promise grant. Four employers planned to continue training established under the grant, while 26 highlighted the need to identify additional funds to sustain training activities.

Exhibit 2. Industries and types of employers interviewed



Source: Virtual site visits with 18 America's Promise partnerships.

Note: Small business is defined as fewer than 500 employees, mid-size business as 500 to 5,000 employees, and large international business as those with more than 5,000 employees and international operations. Other business types included a nonprofit organization and a health care staffing organization.

Why did employers participate in the America's Promise partnerships?

Workforce development agencies and community colleges often face challenges developing and maintaining strong and meaningful employer engagement and industry partnerships (Holdbrook et al. 2021; Dunham et al. 2020; Scott et al. 2018; Spaulding and Martin-Caughey 2015). Critical to that effort is understanding what motivates employers to engage (Spaulding and Martin-Caughey 2015). Interviews with employers highlighted why they reported joining regional workforce partnerships and the goals they hoped to achieve through those partnerships. Employers reported the following motivations for their participation:

• Continuing partnerships that ensure employers' voices help shape workforce system strategies. Twenty-three had participated in regional or sector-focused workforce partnerships—such as industryfocused workforce councils or similar grant efforts like the Health Professions Opportunity Grants—before America's Promise. In these instances, employers recognized contributing

Common reasons employers described participating in the partnerships

- 1. Voice in shaping workforce strategies
- 2. Need to strengthen talent pipeline
- 3. Funds for training
- 4. Commitment to their communities
- 5. Support for diversifying industry workforces

to partnership efforts demonstrated their continued engagement in the workforce system and helped employers use their voices to shape local training strategies to align with industry needs.

- **Opportunity to strengthen talent pipelines and address critical hiring needs.** Fourteen employers viewed this regional partnership as an opportunity to work with key community partners to strengthen regional talent pipelines for their industries. These employers identified challenges related to their local workforces, including aging workers preparing for retirement, lack of qualified and trained local workers, and competition among local employers for qualified workers. By participating in the partnership, these 14 employers hoped to upskill their local and regional workforces and gain access to qualified talent to address workforce shortages.
- Funds to develop training plans and offer work-based learning. Six employers indicated funding available to support the development of training programs and work-based learning opportunities motivated them to participate. They noted developing training offerings—including apprenticeships—can be costly and that they often lack the extra resources needed to develop these approaches.
- Ability to demonstrate employers' commitment to their communities. Five employers explicitly referred to these partnerships as an opportunity to make positive contributions to their communities. These employers framed the partnerships as win-win arrangements that enable communities to benefit while supporting employers' workforce needs.
- Support for diversifying the health care workforce. Having a workforce that reflects the community appeared most salient to interviewed health care employers. Six health care employers viewed the regional partnership as an opportunity to train a clinical health care workforce that better represents the demographics of their local communities while propelling local community members to highwage jobs. One employer connected efforts to diversify the health care workforce with improved staff retention and improved outcomes for patients because "staff culturally and linguistically mirror the population we serve."

Employers' commitment to their local communities

"[We] try to be involved locally ... we want to do what is best for the area."

"That's the goal ... to increase the tax base, reduce the burden on government, and at the same time, make a better community."

"It's going to help our area; it's going to help our industry; it's not just about us. The stronger our community is, the stronger it is going to be for us and our labor force."

How did employers contribute to America's Promise partnership activities?

Employer described their contribution to planning and developing partnership strategies and activities, and they also described their involvement in training offered to participants. The level of involvement varied substantially, with 18 of 31 employers reporting filling multiple roles within their partnership. Dunham et al. 2022 provides more details on the extent of employer engagement.

Shaping the partnerships and their activities

- **Contributing to grant applications.** Six of the 31 employers reported contributing to grant applications, including reviewing text, working with the grantee to identify middle- to high-skill occupations to target, and determining training offerings available through the partnerships.
- Supporting planning activities, career pathway development and curriculum design. Almost half of the employers (14 of 31) described involvement in planning activities after their partnerships

received their grant. Industry associations engaged their members on behalf of the partnerships to understand current and future hiring needs and gaps in the workforce. Of these 14 employers, 7 described working closely with partners to develop career pathways and design training curricula. These seven employers identified positions they struggle to fill due to lack of relevant training in their regions and worked with their workforce and/or local community college partner to develop classroom training and work-based learning (discussed later) designed to fill training gaps.

• Serving on advisory boards. Ten employers reported participating in advisory boards or similar councils. Partnerships typically convened these groups on a monthly or quarterly basis to solicit feedback on changes or refinements to grant activities from partnership members.

Supporting work-based learning and job placement

- Supporting participants' work readiness skills. Seven employers worked with partnerships to help participants build and strengthen their work readiness skills. These employers participated in mock interviews, job shadowing, or career panels to help participants better prepare for work in the target industries.
- **Providing work-based learning opportunities.** The vast majority—27 of the 31 employers interviewed—discussed providing work-based learning opportunities for America's Promise participants. Employers' reports indicated that the number of participants each served varied substantially, from fewer than 10 to almost 100 participants.
 - Apprenticeship and pre-apprenticeship programs. Eleven employers offered apprenticeships and 1 offered preapprenticeships. Only 3 of the 11, however, describing registered apprenticeship offerings. Employers from the health care industry (5 of 11 employers) most often used apprenticeships compared to other industries. These five employers described either selecting apprentices from a pool of potential candidates referred by partners or recruiting apprentices through presentations to high schools, adult

Offering apprenticeships to incumbent workers

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"We want to provide our employees with as much internal mobility as possible. When we first look at offering an apprenticeship, we look to our current employees. We see who is interested and how we can partner the apprenticeship with current employment. At the end of the day, we are not attracting enough people into certification programs. So we focused on moving existing staff in culinary nutrition to high-demand clinical positions."

— Health care employer 🖌

education providers, and other community stakeholders. Three also used apprenticeship models with incumbent workers to help existing employees upgrade their skills, move to higher-paying jobs, or avert layoffs during the COVID-19 pandemic. Apprenticeships were paid positions and lasted from 3 to 18 months based on employers' reports.

On-the-job training (OJT). Five employers reported offering OJT to America's Promise participants. Two focused on the information technology (IT) industry and three focused on advanced manufacturing. These employers had to enter into contracts with the grantee that described training plans, including core competencies for the position, reimbursement rates for wages, and commitments to hire and retain individuals who successfully completed the training. Employers described OJT as lasting from four weeks to six months, and two employers mentioned pairing the OJT with classroom training at local community colleges.

- Internships. Five employers reported offering internships in IT or cybersecurity to America's Promise participants. The internships' length varied from four weeks to four months. When deciding to offer full-time employment upon completion of an internship, employers said they considered professionalism, commitment, and technical skills. All five employers indicated they offered full-time jobs to most of their interns.
- Incumbent worker training. Six employer partners mentioned providing incumbent worker training through the grant to upskill existing workers. Of the six employers, three were advanced manufacturing companies, two were health care companies, and one was an IT company. One employer initially participated in OJT but pivoted to incumbent worker training during the COVID-19 pandemic to avoid furloughs and layoffs. According to the employer, this switch enabled the them to cross-train existing employees for roles in its business that were less affected by the pandemic. All six employers reported incumbent workers received pay increases or became eligible to apply for higher-paying positions after completing training.
- Employing participants trained through regional partnership activities. All of the interviewed employers discussed serving as job placement sites for America's Promise participants. Employers reported hiring participants they supported through work-based learning activities and individuals who completed traditional classroom training through the grant.

What did employers value and suggest as areas for improvement?

Employers offered insights into the perceived successes and challenges of their engagement in the America's Promise partnerships, including how partnerships helped them strengthen talent pipelines, areas for improvement, and thoughts on sustainability of partnerships and activities.

Strengthening talent pipelines

Employers offered their insights on how the America's Promise partnerships successfully met their objectives to build and strengthen talent pipelines for locally in-demand industries.

Employers noted high quality in partnership training offerings. Ten employers described training offerings under America's Promise as better preparing individuals for employment than other similar training programs available in their regions. Another noted that through America's Promise "We are able to hire higher quality employees than we typically can. We can't always afford to hire college graduates. [America's Promise] afforded us the opportunity and ability to hire and then train employees to where they need to be." Similarly, another employer reflected it "… would like to only hire [America's Promise] students. They leave training job-ready and are able to grow [within our company]." One health care employer said individuals trained through America's Promise are more suited to employment at its organization because of their extensive work-based learning experience. Another IT employer noted, "This grant is the prime example of workforce development in our community … other programs are compared to the [America's Promise] bootcamps … graduates finish the program and are actually ready to work. [America's Promise] is a pillar for the technology workforce."

Offering work-based learning opportunities often led to full-time employees. Among the 31 employers interviewed, 27 hired participants trained through work-based learning for full-time employment. Two employers, however, mentioned laying off America's Promise participants due to the COVID-19 pandemic. The 27 employers that hire participants reported placement rates in fulltime employment ranging from 60 to close to 100 percent.

Employers spoke very favorably of the

Perceived impact on worker retention

"We saw over 60 percent reduction in turnover ... it's about \$9,000 per person when it comes to turnover. If I can lower that cost by even a few percent, that's huge. And when I can drop it by 60%, that's enormous. That allowed us to take off the glasses, clean them up, and really see clearly the opportunity of doing good training. To me, that's been the big benefit."

— Advanced manufacturing employer

..... America's Promise workers they hired. Sixteen respondents noted the training offerings equipped participants with the skills needed for workplace success, advancement, and retention. One employer articulated its satisfaction with employees trained through the partnership, noting that it "... enabled us to hire community members who turned out to be phenomenal employees. It is a win-win for us ... it is a joy for us to be able to hire someone through a program like this." Another noted that, through incumbent worker training for entry-level employees, "We have changed so many people's lives. My employees can't stop talking about how much it has impacted them."

For some employers, incumbent worker appeared to help them address retention challenges. Three

employers that provided incumbent worker training reported it helped move workers from entry- to midlevel positions, which by extension helped them address retention challenges. As noted earlier, one of these employers said the grant enabled it to retrain existing staff to avert layoffs or furloughs due to the pandemic.

Some employers felt training promoted growth and collaboration in regional industry. Five employers talked about the impact of these regional partnerships on their industries. Two IT employers felt the availability of training developed through the grant would promote their regions as emerging technology hubs, potentially enabling them to attract companies and talent to their regions. Another three employers said the grants helped local employers recognize they all faced the same workforce issues, and they could best address those issues through ongoing collaboration to expand their talent pipelines, rather than competing with one another for a small pool of qualified workers. One advanced manufacturing partner also noted the grant enabled smaller companies in the region that might not be able to afford investment in training efforts to participate with the support of larger firms and the workforce system.

Perceived impact on collaboration among regional employers

"We were able to pull in some smaller companies that don't always have the deep pockets as a large corporation may have. And if we said hey you guys should invest \$3,000 per person in order to build a good pipeline and their margins are so small that they can barely afford to add a couple people, it scares them. So with a grant like this, it allows those smaller companies, those Tier 1 and Tier 2 suppliers, to try something they would never have been able to try before.... That's why strong collaborations like this work well. It just gets so many people in our community together."

— Advanced manufacturing employer

"Another good part of the whole thing was the collaboration. I always really appreciate the fact that we can get together as a group of advanced manufacturers and postsecondary education and try to work together toward a common goal instead of trying to do it individually. There is always so much more strength in number."

 Advanced manufacturing employer Employers viewed the partnerships as creating a talent pipeline critical to addressing ongoing hiring needs and improving the lives of participants. All of the employer respondents reported positive perceptions of the impacts their regional partnerships had on the local workforce and economy. Twothirds of the employers (20 of 31) mentioned the important role America's Promise played in helping their industries strengthen local talent pipelines. Among these 20 employers, 12 highlighted that America's Promise helped them increase awareness among their local communities regarding in-demand and high-wage occupations. One health care employer, for example, noted America's Promise participants filled critical clinical health care roles it had struggled to fill. By reaching out to local community members to promote high-paying health care careers, the employer believed that the partnership expanded the pool of potential workers, leading to an expanded and strengthened talent pipeline for health care employers. One manufacturing employer described the value created by the grant: "It is a boost to the local economy to educate the population and employ unemployed and underemployed people. It helps companies be healthier." Another employer noted that through efforts like America's Promise, it could help local community members "... get into roles with family-sustaining wages. America's Promise has reduced the tuition barrier for people who want to do CNA [certified nursing assistant], medical assistant, and nursing programs. That's helped us do the work on creating career pathways." An IT employer said America's Promise enabled it to highlight jobs members of the local community might not know about and that program graduates help to "... spread the word about these occupations and continue to build the job pipeline for the industry."

Perceived impact on hiring practices and efforts to diversify the skilled workforce

"We are more open to hiring individuals with less experience. [America's Promise] helped us be creative with hiring and more open to [hiring] individuals with nontraditional backgrounds. We are providing opportunities to individuals who would not have had access to them before."

— Advanced manufacturing employer

"We learned that hiring people with just a high school diploma and who complete the bootcamp is more than sufficient. [America's Promise] changed our culture. We would not have eliminated our college degree requirements without it. It created a change in mindset among our older IT managers around hiring."

— IT employer

"We are working with individuals that are used to hearing no. We show them that they can do this [work in health care] and give them the support they need to succeed."

— Health care employer

"America's Promise taught us a lot about how to do the antiracist work and create equal opportunities for all staff. We learned to walk the walk and demonstrate full institutional buy-in to diversity, equity, and inclusion."

— Health care employer

"[America's Promise] created an amazing source of talent for the tech industry. The partnership is a huge source of momentum for keeping [the region] growing as a tech hub. It put [the region] on the map as a tech hub. [The partnership] is helpful for understanding the local population interested in tech and is helping us tap into a population that we traditionally have not tapped into."

— IT employer 🖌

Many employers perceived that regional partnerships helped them reassess hiring practices, create equal opportunities, and diversify their workforces. When reflecting on the successes of their partnerships, 13 employers mentioned the extent to which the partnerships and training offerings enabled them to diversify their workforces and offer high-wage jobs to individuals with low incomes and/or barriers to employment. For example, one health care employer noted that through America's Promise, it thought of "... creative ways to help people with barriers gain employment in the health care sector." An IT employer said it "... leveraged their own resources to make sure that [individuals without higher education] succeed and get into high-wage and growth positions." Six employers mentioned America's Promise helped open their minds regarding the qualifications or characteristics they look for in potential employees. Another five health care employers indicated America's Promise helped them promote health care employers noted that through America's Promise helped them promote health care employers noted that through America's Promise helped them promote health care careers within their local communities and support their ongoing efforts to diversify their workforces. One of these health care employers noted that through America's Promise and similar efforts, it could focus on promoting diversity and equity, which it believed improved retention and employee satisfaction while also improving patients' care.

Employer identified areas for improvement in partnerships and training

In addition to describing perceived successes related to America's Promise partnerships and training activities as successful, employers provided insights on identified areas of improvement.

Costs of training and reimbursement processes. Five employers noted the funding available for workbased learning (such as apprenticeships) through their partnerships did not adequately cover the costs associated with delivering these offerings or they did not receive timely reimbursement. One employer noted costs of work-based learning included costs associated with losing productivity from existing workers: "With apprentices, you have to have someone there to train them. So while they're getting their on-the-job training, you're losing that person that is working with them ... but the expense is not so much when we send them to do the coursework but the expense is when we have them working with people onthe-job."

Tailoring training to employers' needs. Four other employers noted some training offerings available through the partnerships could have been better-tailored to meet employers' needs. For example, one manufacturing employer said the available training offerings equipped individuals with basic skills but did not provide them with the skills needed to use the employer's machinery. Another said the trainings developed by the partnership condensed a lot of content into short training programs and expressed some concerns about necessary content being sufficiently covered. Of the four employers, one health care employer wished for a broader definition of training for the health care industry to include roles such as food service and maintenance.

Screening and preparing participants for employment. Seven employers identified skills and supports participants needed to be successful when placed in employment. Six employers noted participants with limited English language and computer skills tended to struggle more while engaged in work-based learning and when they entered employment. Another employer said it wished the grantee organization "… did a better job screening candidates to make sure they were a good fit for the occupation they were selecting into … they could have done a better job setting expectations for what the day-to-day would look like."

Providing supportive services to participants. Seven employers pointed to chronic absenteeism stemming from lack of reliable child care and transportation as the most common reason for not offering participants employment or letting them go from employment. The pandemic exacerbated these issues as

schools closed and public transportation posed increased health risks. One employer said given these challenges, it worked to create vouchers for day care centers and collaborated with centers to hold spots for America's Promise participants. The employer also established partnerships with ride-sharing companies to offer transportation vouchers to help participants limit potential COVID-19 exposure on public transportation.

Do employers plan to sustain partnerships and training activities?

Employers reflected on their experiences and the extent to which they felt that the partnerships and associated training activities should be sustained. They also offered their insights on potential challenges related to sustaining America's Promise initiated partnerships and training activities.

Nearly all employers planned to continue partnerships cultivated through America's Promise. Of the 31 employers, 30 stressed that collaboration to advance workforce development issues would continue following the grants. Employers who had not been as involved in prior workforce partnerships felt that America's Promise helped them become invested in collaborative efforts.

According to 26 employers, continuation of training services will depend on funding. Only four employers expressed certainty they would continue training offerings established under the grant. Two of these four employers noted the grant provided funds to develop training offerings and the infrastructure needed to implement them going forward. One said the partnership enabled it "... to build their core [training] work. Even if there are no more grants, we can continue to build off of this [the apprenticeships started under America's Promise]." The other two employers worked with their partners to identify and secure continue funding for the established training offerings. Of the remaining 27 employers, 26 expressed a desire to continue participating in the training offerings, but they all highlighted the need to identify additional funding to do so. Three employers expressed a willingness to contribute a portion of the funding needed to support the training offerings, but small businesses indicated they could not sustain training activities without monetary support.

What insights might findings suggest for employer engagement more broadly?

The voices of employers engaged in the regional workforce partnerships supported by America's Promise highlight what motivated participating employers to contribute to workforce development efforts and what they valued from those experiences. Participating employers looked to the workforce system to help them address critical hiring needs through developing training offerings that expand local talent pipelines and strengthen their communities. They valued the opportunity to contribute to their regions and better the lives of job seekers while fulfilling their own business needs. As the 31 interviewed employers noted, successful partnerships require workforce agencies and community colleges to listen carefully and be responsive to emerging and changing needs of employers and industries. The interviewed employers viewed work-based learning as particularly valuable for addressing employers' needs while promoting full-time employment among training participants. The insights provided by these employers offer lessons that the workforce system might consider when working to engage by employers by emphasizing what companies most value, and tailoring their services to help best meet the needs of employers and industries while advancing the needs of job seekers and regional communities.

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Suggested citation for this brief. English, Brittany, Samantha Zelenack, and Jeanne Bellotti. "Employer Perspectives on Regional Workforce Partnerships: Lessons from America's Promise." Princeton, NJ: Mathematica, March 2022.

Additional briefs and reports developed for the America's Promise evaluation are available here: <u>https://www.dol.gov/agencies/oasp/evaluation/currentstudies/America-Promise-Job-Driven-Grant-Program-Evaluation</u>

This project was funded, either wholly or in part, with Federal funds from the U.S. Department of Labor's Chief Evaluation Office under Contract #DOLQ129633249/1605DC17U00035. The contents of the publication do not represent the views or policies of the Department.