

Adult Training

1. Pioneering Programs

This week's reading and discussion takes a look at the offerings outside of traditional employment training activities. These new programs differ from traditional job training programs in the following ways (*see also #4-5 Below*):

- a. Funding: They receive funding from Foundations (Mott, Ford, Rockefeller, etc.) or private actors (Chambers of Commerce, Unions, etc.) vs. traditional sources such as federal or state governments.
- b. Dual Focus: Programs aim to enroll the employer as well as workers in the program shape and direction.

2. Strategies

In thinking about these programs it is useful to distinguish between three (3) strategies, or range of policies, that these programs seek to address:

- a. Access: Giving people access to good jobs
- b. Making Bad Jobs into Good Jobs: upgrading the quality of work (career ladders, living wage campaigns, etc.)
- c. Creating More Good Jobs (sectoral programs, Michael Porter, etc.)

3. Lingo to Know

Three "buzzwords" are widely used in the discussion on these new job training and career ladder initiatives, and are useful to know: "Intermediaries," "Sectoral Programs," "Cluster"

4. Unique Programmatic Elements & Drivers of NEW Intermediaries

- a. Programs have an internal dynamic and a tendency to evolve
- b. NON-Governmental
- c. Programs "look both ways" in the labor market
 - i. workers and employers are clients (WIA only worker-focused).
 - ii. Programs not just "job matchers" but work on changing both the supply and demand side.
- d. Variety & Experimentation:
 - i. Ex: Temp Agencies: explosion in field/provides training now
 - ii. Ex: "One Stops:" Intermediaries that provide labor market analysis, training, work on a voucher system, but are passive with respect to an employer HR practices (how they organize their work forces)
- e. Specialized offerings
 - i. Care to assessment and skills-training: do more extensive initial evaluations of clients (not cookie-cutter)

- ii. Ex: ESOL (and other specialized and broad offerings)

5. What Makes These New Models Distinctive? What would make Employers Interested in these Programs?

- a. Staff on The Ground: Intermediaries may have staff “on the ground” with the employer: more direct working relationship
- b. Long term-View: Programs are oriented to the long-term view of career path, not hit-n-run.
 - i. Help inform people about ladders, focus on job QUALITY
 - ii. Job development and job advancement focus (not “work first”)
 - iii. Provide a rich array of SUPPORT services (transportation, childcare)
- c. Customized Training to Demand: Programs do much more prior customization prior to the training.
 - i. Interactive with employer and employee
 - ii. Customization of eligibility pool
 - iii. What are challenges and problems associated with this (i.e. impact on technology change or outsourcing if jobs are too specialized)
- d. Innovation-Focused
 - i. Intermediaries often function as R&D function to business
 - ii. Provide technical and business assistance & innovation
 - iii. Make themselves valuable to business
 - 1. Intermediaries identify new business opportunities (cell vs. bundle production in garment industry)
 - 2. Marketing research
 - 3. Home health care groups became the employer!
 - iv. Examples of Possible Innovations: Literature includes:
 - 1. Manufacturing Extension Services: typically staffed by engineers but some have HR & Training component to them
 - 2. Industrial Districts in North Italy: firms help each re: technical assistance, training, set up, apprenticeship program

6. What is the Program Model Distinction between “Intermediaries” & “Sectoral Programs”?

- a. Intermediaries:
 - i. More of a “marriage broker”
 - ii. Provides a high-quality matching opportunity
 - iii. Pays attention to what the employer is looking for, might provide some training, might follow up with worker
 - iv. Intermediaries can be of *differing* institutional types: i.e. how they are governed, where funding comes from, how structured
- b. Sectoral Programs:
 - i. Penetrates more deeply: brings deep industry knowledge & involvement (Machine tool industry in MA)
 - ii. Provides technical assistance
 - iii. Uses HR resource to help industry grow
 - iv. Could integrate an intermediate function as part of its offerings
 - v. Sectoral programs are a singular institutional type

7. How Would You Get one of these Programs Off the Ground?

- a. Convene STAFF with Valuable Industry Expertise or Position:

- i. Program staffed by people who know the industry (retirees) and what the needs are
 - ii. Unions: Union-run programs offer possible arena for collaborative employer relations. Also enable Unions to value-add to workers via provision of training and technical assistance (Ex: Wisconsin Regional Training Program (WRTP))
- b. Funding?
 - i. California Employment and Training Panel (Diverts portion (1/10 of 1%) of Unemployment Insurance) to training fund for customized training program
 - ii. Drawbacks: this funding is entirely aimed at *incumbent* worker training, not new workers
- c. How Do you Incentivize Employers to Participate?
 - i. Credibility to Employers: Be one of "Them"
 - 1. "Employer-Associations" Led Programs: 2 Federal examples with local and regional chapters:
 - a. Chambers of Commerce
 - b. Industry orgs, i.e. NAM: National Association of Manufacturers
 - 2. "Neutral 3rd Body" Led Programs (not more as "outsiders")
 - a. Private Industry Councils
 - b. Workforce Employment Boards
 - ii. Carrots & Sticks
 - 1. Carrots
 - a. Provide much needed industry research, know needs and shortages and address these
 - b. Provide connection for Employers wanting a good relationship to the public
 - c. Provide source of subsidized training
 - d. Tax Incentives, tax abatements
 - 2. Sticks
 - a. Equal Opportunity or other regulatory threats?
 - b. Sticks are tricky, because relationship is tenuous on the demand side & don't want to jeopardize trust
 - c. Need to maintain credibility with employers and incent them to participate
 - iii. Role of Government in these projects/efforts?
 - 1. Provides the "grease"
 - 2. Serves as a convener, by making it happen
 - a. Financially
 - b. Making introductions

8. What are the issues and concerns about "Balance" when Intermediaries & Programs attempt to "look to both sides" (Employers and Workers) :

- a. Eligibility Concerns
 - i. Cherry-picking and Creaming Concerns: If programs need to maintain credibility with employers and incent them to participate, there is incredible pressure to provide them with the top skilled workers. What does this say about opportunities of this avenue for poor or low-skilled workers?
 - ii. Nature of these programs creates potential opportunity for "creaming"

iii. Linking Low-Income Communities to these efforts?

1. Frameworks (structural support)
 - a. Create a Framework/Model along the lines of the Council for Adult Learning, a national provider of ESOL and skilled worker training
 - b. Role of national institutions like Urban League?
2. Provide Robust Support Services
 - a. Programs provide a lot of support services for low-income workers (transport, childcare, etc.)
 - b. Provides reassurance and buy-in from employers
 - c. Draw backs: very expensive!
3. Provide Employers with a "Mix" of Workers
4. "Pre-Cream", i.e. provide employers with 15 people and let them choose 6 to hire

9. Evaluating These Programs: How? What Criteria?

- a. Measure firm performance, productivity rates (before and after program)
- b. Measure Long-term earnings for employees
- c. Indicator of Success: employer decides to do it on their own! (This is rare, and is troubling that it is rare!)
- d. Measure change in layoff rates, relocations
- e. PROBLEM: few evaluations available

10. Scaling: Challenges and Innovations?

- a. Are these just boutique programs and demonstration models? Can these programs be a new significant labor market institution?
- b. REDEFINE SCALE:
 - i. If you define scale as the number of people you are trying to serve, you will never have enough money or resources to achieve scale
 - ii. However, if you redefine scale to mean how you design these program models to leverage institutional change (i.e. change the behavior of institutions, firms, agencies, etc.) then they can be penetrating
 - iii. Programs as change agents

