

# REAL JOBS RHODE ISLAND: EXECUTIVE SUMMARY

#### **Prepared for:**

## Rhode Island Department of Labor and Training

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### **Executive Summary**

State-sponsored, sector-based workforce strategies are a promising model for economic development. Rhode Island is one of many states to embrace an industry-led, sector-based strategy as a model for workforce and economic development. Rhode Island's decision to invest in sector strategy reflects its recognition that innovative and sustainable workforce development and employment training approaches are required to ensure that Rhode Island businesses and workers can compete in the technological, global age and that the state can deliver the talent needed to retain employers, attract new businesses, and foster business growth. Beginning in 2015, the Rhode Island Department of Labor and Training (DLT) piloted its first round of grants for sector-based workforce development partnerships. In July 2015, the DLT issued the first round of 21 RJRI planning grants. Following the planning phase, 26 grantees received funds to implement sector workforce development programs in 2016. Funds for the initiative came from several federal and state funding sources, causing the agency to innovate by creating a braiding funding structure and introduce new data collection and reporting techniques so that each partnership could receive funds from a variety of sources based on the purpose of their programming and the individual participants in training programs. As a result of their efforts, the program brought industry, community based organizations, and educational institutions together in partnerships to work in innovative ways. The goals of the program were to place new employees into immediate job openings; up-skill current employees to advance skills and/or remain competitive; and create pipelines of talent for the future.

#### Institutional History

The mission of RJRI was to create innovative and comprehensive systems change that would align the state's workforce and training investments with the needs of employers to help workers, employers, and spur Rhode Island's economy. However, implementation was complicated by both internal and external regulatory and systems challenges. The RJRI team experienced significant hurdles and created innovative solutions in order to effectively implement the program given funding constraints and cultural challenges. In particular, the RJRI team had to be very creative to overhaul and build new systems for reviewing proposals, documenting participants, reimbursing partnerships and ensuring programmatic and financial accountability and oversight. These innovations contributed greatly to the success of the program.

#### Addressing Sector Need and Innovation

The RJRI program was designed to spur innovation among partnerships to develop valuable job training and workforce development programs. Fourteen partnerships with prior experience working with the DLT or the Governor's Workforce Board (GWB) added new partners to create a workforce pipeline or developed new plans for workforce development. Twelve partnerships had either no experience working with the DLT or the GWB, or had partners working with DLT for the first time. For these partnerships, their participation in an industry-led program allowed them to learn about industry needs by focusing on government or industry-sponsored research, collaborating with industry partners, or conducting needs assessments. The systematic analysis of workforce and training data allowed partnerships to design training programs based on anticipated economic and industry trends, current and projected workforce needs, and the inadequacy of current training programs to meet industry needs. Under RJRI, 19 partnerships expanded existing programs, five partnerships developed training curricula, and five partnerships

created completely new training programs. Compared with what was offered prior to RJRI, 17 of these partnerships underwent a fundamental change in terms of delivering programming and eight modified existing programming to better meet employer needs.

#### **Partnerships**

A central objective of the RJRI program was to cultivate industry-led partnerships to advance the skills of Rhode Island's workforce and develop a pipeline of workers that could expedite sustainable sector growth. There was wide variation in the numbers of partners across the various partnerships, ranging from four to 46, and some partnerships continued to add partners over time. Since sector strategies often bring together groups of employers that are competitors or organizations that operate under differing procedures and timelines, instituting these types of partnerships can be challenging. Some of the common challenges encountered by RJRI partnerships included issues or breakdowns in communication and difficulties in navigating bureaucratic requirements of various institutions and a lack of capacity for addressing these issues. Some also struggled with identifying and working with new partners. Partnerships overcame challenges by finding partners that shared the same vision and were committed to the goals of the partnership as well as identifying partners that were willing and able to train workers and quickly hire trainees into jobs upon program completion. To help ensure partnership success, sectors should utilize a workforce intermediary when possible. Other suggestions include utilizing a facilitator if an employer is the primary grantee, convening an advisory board to inform recruitment and programming, and ensuring effective, thoughtful planning of partnership meetings and communication to provide equity about time and travel commitments and continued engagement in the partnership.

#### Sustainability

To encourage sustainability of RJRI programs, the 2016 RJRI partnerships were required to develop plans for sustainability as part of the planning and implementation process. Partnerships utilized several strategies to plan for sustainability, including offering programming under a fee-for-service model, utilizing colleges and universities to build lasting degree and certificate programs, seeking out alternative sources of grant funding to maintain their programs and services, and developing entrepreneurial enterprises to fund the partnership's programs and services. Two partnerships did not create plans for sustainability due to either the end of their partnership after 2016 or their reluctance to continue programming without state funding. Overall, 13 partnerships had a strong likelihood of continuing either immediately or in the near future without state aid, five partnerships were possibly sustainable without state aid, and eight partnerships appeared unlikely to continue without state financing. In order to increase their possible sustainability, future partnerships could pursue industry buy-in and input into their training programs, design flexible "a la carte" programming that serves an identified industry need and is eligible for outside sources of funding, and engage with a workforce intermediary to assist with partnership leadership and mediation. The DLT can help future partnerships become more sustainable by helping lead partners connect with industry, workforce intermediaries, service organizations, and other partners to provide flexible and functional programming that best serves industry and worker needs.

#### Recruitment and Outreach

A critical plan of action for sectors in need of workers is to employ effective recruitment and outreach and to utilize a range of strategies to identify and recruit potential workers for their

industry. The RJRI partnerships employed a wide variety of strategies for recruitment or outreach, many of which were successful. Overall, RJRI partners came very close to reaching their targets for recruitment. Partnerships set an overall goal of recruiting 1,333 workers into programming, and 1,116 workers were successfully recruited into partnership training activities. However, in the pilot year of RJRI, several partnerships struggled with recruiting workers in a tight economy, as fewer people were out of work. As the economy continues to grow and the workforce continues to age, it will become even more important for the state's economic sectors to create intentional plans to recruit in communities and from populations with higher than average unemployment or underemployment, or who currently are employed in low wage, non-career jobs. In addition, sector partnerships will need to create effective "green housing" strategies (strategies aimed at youth before graduation) to reach young people and ensure that there is a seamless school-to-career pipeline. This also will allow partnerships to reach and develop the next generation workforce before they become un- or underemployed. Many of the practices utilized by RJRI grantees can be adopted and employed in other industries that may face continued issues in hiring and reaching potential workers.

#### **Programming**

Grantees utilized various methods to execute and implement their RJRI programming, and many grantees incorporated multiple methods, taking into account different aspects of the industry and different target populations. Grantees implemented a total of 21 new worker programs, often including content for both specialized and basic skills, taking place as either single or half day, multi-day, or multi-week programs, and providing additional supports for participants. Fifteen partnerships provided training for incumbent workers, and these often were multi-week programs with employers referring incumbent workers. At least 11 grantees took steps to implement or develop sector-building programs. These activities included developing infrastructure, services, and resources for the benefit of their sector. Additionally, many grantees outlined concrete steps to expand and improve their services. Partnerships used a variety of locations to hold trainings or other activities. The most common locations for new and incumbent worker programs were local colleges, universities, and public schools, though many programs were held at employer sites as on-the-job or in-house trainings. Overall, RJRI partners successfully trained 920 participants, and 81.2 percent of those recruited into training completed it. One of the key aspects of RJRI that helped to increase the rate of success was that partnerships could adapt and adjust their trainings through an ongoing improvement process. This flexibility was an important benefit and allowed the partnerships to learn from challenges and adopt effective practices to overcome them. Being able to provide training stipends or monetary incentives to those in the training programs, including those programs that involved the use of mentors, was crucial for many sectors' success with trainee recruitment and retention.

#### Trainee Challenges

Growth industries likely will face challenges finding potential workers as the economy continues to expand. Consequently, companies will need to draw talent from populations with traditionally higher numbers of un- and underemployed workers. These populations may face significant barriers to workforce participation that need to be addressed in order to support economic growth, the most common being transportation, child care, affording training, soft and basic skills, and finding scheduling times that work for trainees. The largest barriers were those involving transportation and child care. Many RJRI partnerships successfully provided supports

and programming to help overcome these barriers and developed models that could be employed by other partnerships. Providing temporary transportation and child care supports for trainees both during training and once they enter employment would limit this barrier to economic growth, but the state also needs to invest in assessing transportation and childcare access on a systems level, as the current supply of transportation and childcare options is not aligned with workforce needs.

#### Transition from Training to Employment

Successful execution of job training and workforce development programs allows industries to recruit more workers and training participants to find long-term careers. A total of 56 percent of training participants were employed after completing training by the time of this writing. Nearly all partnerships experienced some type of challenge relating to the placement of trainees into employment. In this regard, partnerships can improve their placement by designing training programs to align with industry hiring seasons, addressing the time gap that exists between the completion of training and the delivery of licenses required for employment, and aligning the completion of pre-clearance procedures with training program end dates. Many of these challenges were successfully overcome by other partnerships participating in the RJRI program. These included partnerships that hired workers prior to their participation in the training program, delivered stipends and post-training services to training graduates in order to ease the time gap between training and employment, delivered industry-valued training programs that improved the prospects of hiring, and connected trainees with employers. Moreover, one goal of sector workforce development programs is to expose potential workers to a field that will allow them to determine whether the career is the right one for them—a goal that often decreases the number of trainees completing training or choosing to pursue employment in the field. Few programs accounted for this goal in their processes. Future performance metrics should acknowledge that job training participants are considering whether to pursue long-term careers through the training program and aim to recruit more workers for training than are expected to be employed in the industry.

#### Evaluation of the Department of Labor and Training

Partnerships reported overall positive attitudes toward the RJRI program and the DLT. The flexibility of the program, its demand-driven and employer-focused structure, and the enthusiasm and commitment of the DLT staff were particularly appreciated by partnerships. The program was described as "open," "encouraging," and "business friendly." Partners also greatly appreciated the program's focus on long term sustainability in building a future workforce, the ability of employers to work in teams and the focus on connecting employers within a sector, and the spotlight on expanding and building new programming guided by employer input. There was an appreciation for the program due to the many best practices that DLT employed during 2016. Some areas for improvement included improved clarity and communication in RFPs and during the contracting process about the expectations and commitments of RJRI partners to attend events, report data, and the timeline for funding. Partners also requested additional streamlining of grant applications, addenda, and the paperwork for enlisting trainees and filing for reimbursements. More attention also should be paid to refining the process for tracking performance metrics and assigning accountability for tracking. Several other improvements also will be important to the future of the program.