A sectoral employment development strategy - or a "sector strategy" to use industry shorthand - is defined as a systems approach to workforce development - typically on behalf of low-income individuals - that:

* Targets a specific industry or cluster of occupations, working to develop a deep understanding of industry dynamics and the specific competitive situation and workforce needs of the industry’s employers within the region;
* Intervenes through a credible organization, or set of organizations, crafting solutions tailored to that industry and its region;
* Supports workers in improving their range of employment-related skills, improving the quality of opportunities for work available to them;
* Creates lasting changes in the labor market system that are positive for workers and employers. The “systems” that sectoral initiatives typically seek to change or influence include those related to industry practices, education and training, public regulations and/or fiscal policies.

**Evaluations of Sector Initiatives**

* **Tuning In to Local Labor Markets -** <http://www.ppv.org/ppv/publications/assets/325_publication.pdf>

Findings from the Sectoral Employment Impact Study – looked at three mature, well implemented sector program. Used an ***experimental research design*** to ask the question: Do mature sector focused programs result in significant labor market gains for low-income, disadvantaged workers and job seekers?

To answer the question the three sites recruited 1,286 people for the study over a two-year period, all of whom had been through their program’s application process and met its eligibility criteria. Half

of these applicants were selected at random to participate in the program (the treatment group); the remaining half (the control group) could not receive services from the study sites for the next 24 months, but they were free to attend other employment programs or seek access to other services. Baseline and follow-up surveys were conducted with members of both groups, eliciting information about their education and work histories as well as their employment experiences during the two-year study period. The follow-up survey sample included 1,014 respondents, reflecting a 79 percent response rate.

Qualitative research was also conducted by collecting data through site visits and staff and participant interviews. This research documented the structure and content of the programs to better understand key practices as well as challenges the organizations faced.

Key Findings

1. Participants in sector-focused programs earned significantly more than control group

members, with most of the earnings gains occurring in the second year.

2. Participants in sector-focused programs were significantly more likely to work and, in the

second year, worked more consistently than control group members.

3. Program participants were significantly more likely to work in jobs with higher wages.

4. Program participants were significantly more likely to work in jobs that offered benefits.

5. For each subgroup analyzed, program participants had significant earnings gains as compared to their counterpart controls.

* **Targeting Industries, Training Workers and Improving Opportunities -** <http://www.ppv.org/ppv/publications/assets/263_publication.pdf>

Final report on the Sectoral Employment Initiative.

To explore the potential of sectoral approaches, Public/Private Ventures (P/PV) launched the Sectoral Employment Initiative (SEI) in 1998, with support from the Charles Stewart Mott Foundation. The intention with the project was twofold:

1. To test whether low-income participants in sectoral programs experience positive changes; and

(2) To determine whether programs might be able to foster systemic change within sectors that traditionally pay low wages and offer unfavorable working conditions.

Nine organizations participated in the initiative. Six of them concentrated on skills training for participants (in the health care, manufacturing, paralegal and information technology industries), two operated social enterprises (in health care and day labor), and one created a membership association of workers (in the child care sector).

At the time this study was undertaken, sector strategies were still relatively new approaches so the study ***did not employ an experimental design***. Instead they assessed the organizations’ experiences implementing sectoral programs and collected outcomes data to understand the potential to benefit low-skilled workers. This was done through interviews with staff and other key stakeholders and observations of program activities during site visits.

Findings from the SEI are highly encouraging. The six skills-training programs were able to recruit the low-income, less educated and, in many cases, minority individuals who could—and did—benefit from employment in occupations previously unavailable to them. Positive changes for participants

included higher hourly wages, increased income and better-quality jobs. Both the skills-training programs and the other programs that participated in the SEI made progress in altering government regulations and/or the policies or practices of employers, educational institutions and public agencies—systemic changes that hold promise to improve working conditions and make training, certification and employment in certain occupations more easily obtainable for low-wage workers.

Key Findings:

* Participants in skills-training programs increased their wages and earnings. Their higher
* incomes were the result of both working more hours and earning more per hour—participants earned an average of two dollars more per hour than any wage they had earned in the two years prior to training. Positive changes for participants included higher hourly wages, increased
* income and better-quality jobs.
* Participants in skills-training programs had decreases in poverty, from 64 percent to 35 percent.
* Participants in skills-training programs also accessed higher-quality jobs. The percentage
* of participants with health insurance available through their employers increased from 49 percent to 73 percent, while the percentage with paid sick leave increased from 35 percent to 58 percent.
* Many participants in skills-training programs obtained jobs in targeted sectors. Among advanced skills-training participants, these positions paid more than positions unrelated to training.
* SEI participants believed the programs helped them achieve success in the labor market. Eighty-three percent of participants agreed that the training prepared them well for work in the targeted sector, and 78 percent said the program had improved their chances of getting a good job.
* Organizations using sectoral approaches other than or in addition to skills training demonstrated the potential to bring about systemic change. In very different contexts, through organizing and advocacy efforts or using leverage with industry contacts to negotiate with educational institutions, organizations either led or were involved in efforts that brought about significant changes to systems—changes that had the potential to benefit less-educated workers throughout the targeted sector.
* **Evaluation of the Sectoral Employment Demonstration Program -** <http://www.urban.org/UploadedPDF/411103_sectoral_employment.pdf>

In Program Year 2000, the Employment and Training Administration (ETA) of the U.S. Department of Labor (DOL) funded 39 local Workforce Investment Boards (WIBs) to participate in the sectoral employment demonstration (SED). The demonstration was conducted to help DOL determine whether sector-based strategies could be adopted and used effectively by local WIBs. In the context of this demonstration, s*ectoral initiatives* primarily seek to identify workforce needs and opportunities within a local or regional industry or cross-industry occupational group while also focusing on economic performance and competitiveness. These efforts target a specific population—such as low-income workers, dislocated workers, or new entrants to the job market—to meet both industry needs for a competitive workforce and the needs of those targeted for improved job opportunities. Sectoral initiatives are typically long-term efforts that, over time, attempt to improve the functioning of their regional labor markets, benefiting both workers and employers.

DOL was particularly interested in examining the potential for successful involvement

in sectoral initiatives by local WIBs, chiefly because the goals of these activities paralleled the

role envisioned for the boards under the Workforce Investment Act of 1998 (WIA). These roles

include developing employer linkages, coordinating with economic development, promoting

private sector involvement in the workforce investment system, and developing workforce

investment plans as part of a comprehensive workforce investment system focusing on individual

employment goals and the needs of firms for skilled workers.

This report documents the range of projects undertaken and the outcomes achieved by the 38 WIBs that participated in the demonstration. The demonstration included 26 formation grantees that received one- year grants (some with three-month extensions) to form stakeholder groups, collect and analyze labor market data, analyze industry opportunities and training capacity, and develop a strategic plan for the selected industry sector. Twelve organizations were awarded 15-month implementation grants (some with 3- or 6-month extensions) to undertake specific sectoral interventions, such as outreach, recruitment, curriculum development, training, and designing career paths for the benefit of individual participants within the context of specific industry/occupational sector needs.

The evaluation ran from September 2002 through December 2003, taking place toward

the end of the grant period. Evaluation activities consisted of (1) a review of grant files, (2)

telephone discussions with all grantees, (3) site visits to 12 grantees (6 formation and 6

implementation), and (4) cross-site analysis across qualitative variables associated with project

organization and process, as well as outcome indicators, where available.

**Key Findings**

***Sectoral Grantees Focused on Business Goals***

• Over 80 percent of the grantees chose a target industry that was experiencing a labor

shortage.

• Over half of the grantees stated that encouraging growth in the targeted sector was one of

the reasons for their choice of industry.

• Other reasons reported for choosing a sector were to improve industry competitiveness,

to retain the industry as an employer in the community, and to prepare an industry for

demographic or technological changes.

***Meeting the Needs of the Labor Force***

• Most grantees defined their target population broadly and included more than one group,

such as incumbent workers and displaced/unemployed workers.

• Recruiting participants was a challenge for forty percent of the grantees. Outreach

techniques included direct advertising; working with social service agencies, community based

organizations, and other stakeholders; and using workplace resources.

• A number of grantees changed or expanded their target populations over the course of

their projects. Three major reasons given for target population changes were (1) an

overall expansion of the target group to compensate for lower than anticipated

participation, (2) a decision to include groups with fewer barriers to employment, and (3)

an increased focus on incumbent workers in order to create entry- level openings as these

workers advance.

• Because of the limited time frames and funding associated with the sectoral employment

grants, many grantee organizations focused primarily on business and industry needs and

then defaulted to working with a target population that could most easily be prepared to

meet those needs. While these projects may have been quite useful to the workers

involved, they were less likely to involve hard-to-serve populations. Such strategies are in

contrast to those that initially focus equally on industry and selected target populations.

***Meeting the Needs of the Sector***

• Goals associated with improving industry competitiveness were reported by 11 of the

demonstration grantees. Specific issues addressed included improving the image of the

industry to attract workers and facilitating relationships between employers and public

training providers, such as community colleges.

• Some sectoral grantees worked with industries that were having difficulty meeting a

higher skill need. Grantees designed incumbent worker training programs to develop

more advanced skills needed by the industry to remain competitive.

• Most grantees (31 of 38, or 80 percent) chose a target industry that was experiencing a

labor shortage. Although a downturn in the labor market during the grant period reduced

workforce needs, shortages remained in the health care field. Many grantees cited labor

shortages as an important reason for their choice of sector.

***Employer/Industry Involvement***

• Three distinct approaches were used to designate a target industry and set of occupations:

(1) targeting the firms of an identified industry, (2) targeting a specific occupational area

that crosses a range of industries, and (3) working with a single large employer. The first

of these was the most common approach, taken by 29 of the grantees.

• Most of the grantees said they built on previous efforts undertaken in the selected sector.

• Grantees used labor market data, employer surveys, and focus groups, and worked with

industry associations to gain an understanding of employer needs.

• Challenges faced by sectoral grantees in working with employers included the WIB’s

limited knowledge about the industry sector, employer mistrust or negative impressions

about government workforce development initiatives, and employer reluctance to share

information with other employers. These challenges were successfully addressed by

many grantees.

• Nine of the 38 grantees attracted direct employer financial contributions, while 13

received in-kind contributions from employers.

***Sector Programs and the WIB System***

• WIBs in a variety of institutional settings were able to engage in sector work. Effective

WIB roles ranged from a high level of WIB member involvement in attracting support

from the business community, to day-to-day involvement of One-Stop staff in recruiting

and orienting participants, to primarily conducting contract monitoring activities and

overseeing implementation by another community organization. Different organizational

settings can offer varying sets of resources—there was clearly no one “best”

organizational structure for initiating and operating a sector project.

• For about one-third of the WIBs, the project was particularly energizing and led to such

outcomes as rethinking strategic plans or reshaping operations around sector-based work.

• Conversely, another one-third of the WIBs noted that board involvement in the project

was relatively low. Reasons for this low level of interest included the small size of the

grant relative to the overall WIB budget and no perceived need for the WIB to take on

more than an oversight role with respect to the project.

• Implementing agencies combined the resources of in- house staff with the expertise of

consultants and outside agencies in various ways. No particular staffing pattern or

patterns emerged as the best way to staff a sector project.

• Respondents from 21 sites stated that the sector initiative helped improve the WIB’s

relationship with employers. The same number stated that they plan to continue with

sector work and expand the approach to other sectors.

• By the end of 2002, 11 grantees had obtained additional WIA funding for their sector

initiatives, and 8 grantees had received additional grants from state agencies, foundations,

or DOL to continue their initiatives. In response to a follow-up request in March 2004,

one additional grantee reported receiving WIA funds and two additional grantees reported

receiving grants from other sources.

***Outcomes/Accomplishments: Formation Grantees***

• Grantees formed broad stakeholder groups that included employers, community colleges,

unions, and industry associations.

• Almost 70 percent of the formation grantees found that the stakeholder groups

encouraged employers to work together.

• In addition to the required strategic plan, more than three-quarters of the formation

grantees established ongoing coalitions that will continue to meet. Almost half of the

formation grantees (12) responded to a follow-up request almost two years after their

grants expired, and all indicated that they are continuing or planning to do sector work.

• Sixty-five percent of the formation grantees leveraged additional resources to continue

their planning efforts and stakeholder meetings, and/or to begin implementing their plans.

***Outcomes/Accomplishments: Implementation Grantees***

• Ten of the 12 implementation grantees increased training options available in their

community/region.

• Seven of the 12 implementation grantees facilitated career ladders/advancement

opportunities, and the same number established new pipelines for workers in an industry,

most often targeting youth.

• All but one of the implementation grantees undertook projects that enrolled students in

training, serving from 24 to 578 individuals. Eight of the 12 implementation grantees

reported successful job placements for trainees, and 2 grantees reported average wage

gains of 18 percent or more.

***Lessons for Program Operators***

• WIBs can play many roles in sector projects, depending on their interest in and

knowledge of the sector, staff capacity, and ability to serve the target populations.

Successful WIBs used their assessment of these factors to inform decisions about the

roles and responsibilities that would be appropriate to take on directly and those that

would be best to delegate.

• Sector projects need to recruit and maintain the right mix of stakeholders. This is a

dynamic process, since the roles and responsibilities and relative importance of the

various stakeholders can change over time. For example, some grantees found that it was

important to have the buy- in of chief executive officers (CEOs) of target businesses early

in the project and that supervisory or human resources staff involvement was critical at

later stages of a project.

• Successful sector projects build in frequent opportunities to solicit feedback from

employers and program participants, and they are willing and able to make midcourse

corrections as needed.

• Among the sectoral employment demonstration grantees, promising practices were

identified in stakeholder collaboration; leveraging training resources and building

training capacity; coordinating resources to address target population needs; employer

involvement for continuous improvement; and developing and supporting career ladders,

retention, and advancement.

***Implications for Policy***

The following factors that pertain to the sectoral employment demonstration grants have

broader implications for policy and future DOL demonstration grant initiatives.

• **Balancing employer and worker needs.** The sectoral employment demonstration

reflects a policy focus of the WIA to develop a stronger link between the public

workforce system and employer needs in the business/workplace environment. However,

the reality of balancing employer and workforce needs can present challenges to serving

those most in need. In the economic downturn of 2001 in which many sector projects

found themselves, a reduced demand for workers resulted in some projects refocusing

their target populations to those who could gain skills quickly, usually better educated or

incumbent workers.

• **Time frame.** Demonstration grants are, by definition, time- limited, but the time frames

depend on the goals of the grant. For the formation grants, whether or not a one-year

grant period was reasonable depended on the extent to which a core stakeholder group

existed for the targeted industry.2 Although most of the grantees were able to prepare a

strategic plan in the allotted time and most coalitions intended to continue to meet after

their grants ended, grantees said that a longer grant period (such as 18 months) would

have been better for developing collaborative relationships and planning. Implementation

grantees faced different challenges with their 15-month grants.3 Start- up activities took

longer than anticipated for some grantees. These activities included developing curricula,

identifying training providers, recruiting training participants, and making improvements

to the physical site. Finally, the short time frames of the grants limit the ability to report

outcomes. Some implementation grantees established or supported training programs and

enrolled participants, but the grant ended before participants completed training. For

other grantees, participants completed training, but it was too soon to report employment

outcomes or, for incumbent workers, job advancement or wage gains. Still other grantees

addressed career ladders and long-term human resources practices in an industry, such as

benefits, employer-supported training, and advancement. It is too soon to determine

whether these sector projects will have a lasting influence on employer practices.

Effecting such changes will require that the grantees, or their partners, stay with the

initiatives for the long haul.

• **Accountability.** All sectoral employment demonstration grantees (formation and implementation) were required to identify specific measured outcomes pertaining to their project activities. Since grantees pursued a wide range of activities, outcome measures and the methods for documenting outcomes varied considerably. It is important to consider both readily quantifiable outcomes (such as number completing a training program) and more qualitative outcomes (such as whether the project promoted collaboration between employers and training providers). Since most of the sectoral demonstration grants were formation grants aimed at convening stakeholder groups and

planning, the more qualitative outcomes are critical to understanding the accomplishments of the grantees. Such outcomes include bringing new partners together, creating stakeholder groups that cross traditional divides of professions and disciplines, and crossing geographic boundaries. These activities, while difficult to quantify, help build the infrastructure needed to maintain sector projects.

• **Resources.** The sectoral employment demonstration grants were small and generally comprised a very small portion of a WIB’s budget. Nevertheless, WIBs found that the grants provided resources that would otherwise not be available for collaborative activities and that the award of the grant helped to engage partners and staff. Grantees had discretion to use grant funds in ways that best supported the objectives of the grant, including staff, contracted services, and purchase of curriculum materials. This flexibility was welcomed by grantees. Grantee strategies and accomplishments were necessarily tailored to the small size and short-term nature of the grants. While grantees responded positively to the flexible funding, formation grantees were disappointed in the lack of follow-on implementation funding and had varied success in sustaining their projects.

Half of the formation grantees requested and received extensions of one to three months, with one receiving a five month extension. Eight of the 12 implementation grantees requested and received extensions of three months; 2 other grantees received extensions of six months.

• **Capacity building.** The sectoral employment demonstration grant program included some efforts to bring grantees together to share ideas and experiences. Several grantees noted that this was a particularly helpful benefit of participating in the demonstration. Some grantees are well integrated in the existing and growing network of groups involved in sectoral initiatives, while others are very new to this field and seek more information and guidance. Continued interaction among the grantees and other organizations involved in sectoral initiatives will build capacity as they share best

practices and establish a network of peers for ongoing consultations. Organizations involved in sector projects can then use this information to benchmark their own progress, identify effective strategies, and build support (both public and private) for their activities. This support is especially important because sectoral projects must continue beyond the grant period if they are to achieve success.

**Implementation Reports**

* **Allied Health Regional Skills Partnerships – North Carolina** <http://www.sectorstrategies.org/sites/all/files/NC%20Final%20Report.pdf>

In 2006, North Carolina was part of an NGA Policy Academy to develop an infrastructure for the development and implementation of sector strategies. The state’s overarching and long-term goal is to develop a sector strategy model that will build statewide networks of Regional Skills Partnerships to address the workforce needs of employers, as well as those of workers in the industry sectors important to North Carolina’s economy.

The report provides an overview of activities that the state participated in as part of the academy including: defining partnerships, labor market research strategies, partnerships, work plans, outcomes, sustainability plans and lessons learned.

* **Health Care Industry Partnerships and the Pennsylvania Center for Health Careers -** <http://www.sectorstrategies.org/sites/all/files/The_Interconnected_Relationship.pdf>

This report provides a synthesis of the workforce strategies utilized by Health Care Industry Partnerships and The Pennsylvania Center for Health Careers; these strategies mirror each other and have enabled the Pennsylvania health care industry to address key workforce priorities.

Together, the Industry Partnerships and the Pennsylvania Center for Health Careers have addressed workforce priorities, such as applying pipeline development activities and career ladders to retain a skilled workforce and increase the available labor pool, collaborating and sharing best practices and addressing some of the industry’s most fundamental training and skill development needs.

* **Accelerating State Adoption of Sector Strategies:** <http://www.sectorstrategies.org/sites/all/files/AcceleratingSectorStrategies-Phase1Report.pdf>

Believing that state sector strategies were at a tipping point across the nation, the National Governors Association, the Corporation for a Skilled Workforce, and the National Network of Sector Partnerships launched a two-year state sector strategy project in 2006 to accelerate the adoption of this approach. The project partners worked closely with five states just beginning to implement sector strategies (Georgia, North Carolina, Oregon, Oklahoma, and Minnesota) and six states with significant experience in sector strategies (Pennsylvania, Michigan, Washington, Massachusetts, Arkansas, and Illinois)

The project has yielded many lessons, opportunities to advance the sector model, and

recommendations to state policy leaders. Project partners will use these findings for continued work in the second two-year phase of the project, beginning in 2008. Findings from the first phase of the project indicate that state sector strategies:

♦ **Promote Regionalism:** Labor markets rarely span an entire state or conform to political boundaries, and employers and job seekers do not recognize artificial geographic boundaries in the labor exchange process. Sector strategies promote a focus on regional economies.

♦ **Increase Funding Opportunities:** A promising element of sector strategies is that they provide for a “big tent” of partners that allows for multiple and alternative funding strategies to be identified and utilized.

♦ **Use Data to Drive Decisions:** Sector initiatives need a deep understanding of particular industries and regions to identify needs and formulate effective solutions. States play a key part in collecting and providing data to regions.

♦ **Align Resources and Strategies:** Sector strategies allow for various programs, resources, and strategies to be aligned and leveraged. This does not necessitate full-scale system integration, but rather creates effective cross-system connections and aligned protocols toward common goals.

♦ **Present Opportunities for Unified Messages:** Marketing and capacity building have been identified as key to the success of sector strategies. Several states have developed marketing brands specific to their sector strategies. Others use the brands of larger workforce and economic development campaigns to promote their sector strategies.

♦ **Build Legislative Support:** Legislative support and funding are often the difference between short and long-term success for state sector strategies.

***Oregon’s*** *Workforce Investment Board plan connects sector strategies to the “similar but different” cluster strategies that are favored by economic developers. Those seeking competitive money from the State Workforce Investment Board must demonstrate their intention to build linkages between these two approaches; in other words, they must address the state’s economic/cluster strategy as well as the state’s workforce/sector strategy. Oregon also convened a cabinet-level planning meeting to understand and align both sector strategies and cluster initiatives.*

**Performance and Evaluation Models for Sector Initiatives**

* **An Evaluation Framework for State Sector Strategies -** <http://www.sectorstrategies.org/sites/all/files/EvaluationFrameworkWhitePaper.pdf>

The Evaluation Framework is one outcome of the first phase of a project jointly designed and implemented by the National Governor’s Association (NGA), the National Network of Sector Partners (NNSP), and the Corporation for a Skilled Workforce (CSW).

The Framework represents a combination of quantitative and qualitative measures across a variety of groups and sub-categories, each of which has additional subcomponents. It is not intended to be prescriptive, but should be viewed as a starting point for states that are looking for a measurement

framework for their sector approaches, or as a guide for states just beginning to think about sector strategies based on the most valuable elements of sector approaches, as agreed to by leading thinkers in the field. The specific goals of the Framework according to its developers are below.

**Goals**

♦ To have a performance measurement framework that can be adopted and adapted by states based on their individual needs;

♦ To design a benchmarking process that captures continuous improvement by states implementing sector strategies;

♦ To transition the system to be employer driven;

♦ To develop intra- and inter-state shared learning (and to save individual state time/resources);

♦ To provide employers with context and comparisons that lead to employer investment and advocacy; and

♦ To tell what happened, to put it into context, to tell the story of that context to multiple audiences, and to make decisions that improve the context.

Four measurement groups are presented in the Framework, including: (1) Outcomes for workers; (2) Value to employers; (3) Quality and effectiveness of partnerships; and (4) Measuring systems change.

**Sector Studies and Reports**

* **Sector Snapshot** - <http://www.insightcced.org/uploads/publications/wd/Sector-Snapshots.pdf>

The 2010 *Sector Snapshot* reveals that sector initiatives have become more important as a means of providing workforce development, adult literacy, postsecondary education, and economic development. These initiatives have grown in number throughout the country, involved employers in a more integrated way, broadened the types of organizations involved, and more specifically targeted the needs of low income and other disadvantaged individuals.

Sector initiatives are helping create change in how industries hire, promote, and retain workers and how workforce development and other services are organized and delivered. Information for this report was compiled from a variety of sources in the country including Oregon Workforce Partnership, Lane Workforce Partnership, and the Northwest Food Processors Association and provides a great overview of what is happening nationally in sector work, including the services provided as represented in the graph below.



* **Application of Industry Cluster-Based and Sector-Focused Strategies to Rural Economies -** <http://www.sectorstrategies.org/sites/all/files/Application%20of%20Sector-focused%20Strategies%20to%20Rural%20Economies.pdf>

The thoughts presented are the result of observations and lessons learned by the Corporation for a Skilled Workforce (CSW) from their extensive work with states to implement regional, industry-focused economic growth strategies, as well as from research and conversations with national workforce and industry cluster thought leaders. This paper is intended to deepen national understanding of the policy features that integrate cluster and sector approaches toward comprehensive rural economic growth. It offers:

* Clarification on what cluster-based and sector-focused strategies look like in practice and policy;
* Suggestions for how cluster- and sector-focused strategies might be better understood for increased effectiveness in rural economies;
* Spotlights of industries being supported and grown across rural America; and
* Policy tools to promote effective industry-focused strategies in rural areas.
* **The Policy Intersection between Sector Strategies and Low-Income Workers: The State Responsibility to Make the Connection -** <http://www.sectorstrategies.org/sites/all/files/Integrating%20Sector%20and%20Low-Income%20Policies.pdf>

 Despite their popularity as regional, industry-driven approaches to workforce development, it can be argued that sector approaches are not being utilized to their full capacity to address the needs of low-income workers. In turn, human service organizations may not recognize the validity of the sector model to lift low-income individuals to conditions of self-sufficiency. Toward the goal of uncovering disconnects, a “thought paper” was requested by the Seattle Foundation. The charge was given to begin to identify the policy intersection between supporting regional, industry-driven workforce development partnerships (i.e. sector initiatives) and human service and education policies intended to lift individuals out of poverty or low-income situations.

This paper is intended to deepen national understanding of the policy features that integrate sector approaches and low-income worker success. It offers:

* Insights into why sector strategies and low-income worker advancement policies are theoretically but not practically linked;
* Guideposts for states that present policy principles for integrating sector strategies and low-wage worker success;
* Evidence as to why low-income worker advancement strategies are important to sector strategies, and in turn why human service policies should consider sector strategies as viable policy vehicles to achieve their goals; and
* Examples of state policy intervention, and where they fall short of the scale of change necessary to keep states competitive and individuals self-sufficient.
* **Wising Up: How Government Can Partner with Business to Increase Skills and Advance Low-Wage Workers -** <http://www.clasp.org/admin/site/publications/files/0288.pdf>

Examines the approach of state and local partnerships with business and industry to train low-wage workers and help them advance. The report examines partnerships that,

* + Involve investment of public funds and are managed by a public sector institution.
	+ Give business a lead role in identifying job training needs and paths to job advancement often for their own employees
	+ Provide job training through public, non-profit, and for profit institutions.

The report identifies three types of government-business training partnerships:

* Incumbent worker and customized training
* Career ladders or pathways
* State skills certificates and panels

The research in this report suggests that these types of training partnerships can be an effective tool for advancing low-wage workers as long as partnerships are carefully designed to achieve this goal.

* **Benefits of a Sector-Based Approach** - <http://www.stateinnovation.org/Research/Economic-and-Workforce-Development/Sectors-and-Clusters/BenefitsofSectorbasedApproach.aspx>

Report on the impact sector strategies have on business. Also provides impact information for job seekers/workers.

* **Sustaining the Promise: Realizing the Potential of Workforce Intermediaries and Sector Projects** - <http://www.jff.org/sites/default/files/NFWSsustainability.pdf>

Dozens of sector and intermediary projects have sprung up in the last decade, often seeded by substantial grants or contracts from a combination of public and private financing sources. Practitioners have experimented with various program models, tailored their approaches to the needs of particular industries or groups of workers, and innovated to widen their funding bases. The accomplishments to date are both impressive and nascent. The scope and complexity of the projects, and the initial outcomes for participants, are impressive; they offer a wealth of accomplishments and findings that are enriching the workforce development

field. At the same time, these projects have only just begun, given the long horizon of operations necessary for participants to achieve the goal of economic stability.

As the sector and intermediary field matures, and as the seed funding that launched many projects expires, a key question emerges: how can these projects be sustained so that they can fulfill the promise of meeting both worker and employer needs? This question embodies three principal types of sustainability challenge: *financing*, *infrastructure*, and *operations*.

This report examines the issues surrounding sustainability or sector programs, outlines the elements of successful strategies, and discusses the policy implications regarding sustainability.

**Resources for implementation of Sector Strategies**

* **State Sector Strategies Tool Kit:** <http://www.sectorstrategies.org/toolkit>

The State Sector Strategy Toolkit is a collaboratively developed, web-based tool intended to help states to design and implement statewide sector policies and frameworks that position their regions to strengthen regional, skills-based economic competitiveness.

The Toolkit contains information, resources, and templates to be used by state policy makers in launching and managing a state sector strategy. The Toolkit was developed as part of the National Governor’s Association State Sector Strategy Learning Network, in conjunction with its two project partners - The Corporation for a Skilled Workforce (CSW) and the National Network of Sector Partners (NNSP). State leaders in the Learning Network (see acknowledgments below) were integral to the development of this Toolkit, providing ideas for much of the narrative and sharing tools and resources that they have developed in their respective states. In fact, much of the guidance in this toolkit is direct advice and lessons learned from states experienced in sector strategies.

In interviews with state sector leaders, we asked them the question "What do you know now that you wish you'd known when you were starting your sector strategy?" You can hear their responses in the video below. Our hope is that this toolkit will provide new states with some of that hard-won knowledge, as well as providing resources for established states as they move through the sector strategy lifecycle.

* **Sectoral Strategies for Low Income Workers -** <http://www.aspenwsi.org/publications/07-014.pdf>

This publication was written for workforce professionals and provides examples of successful sector strategies, particularly those that are meeting the needs of low-income workers who face daunting challenges in the labor market. It also emphasizes the dual customer approach to workforce development, meeting the needs of both worker and employer.

* **Workforce Partnership Guidance Tool -** <http://www.sectorstrategies.org/sites/all/files/Workforce%20Partnership%20Tool.pdf>

Strategies and activities associated with high-performing workforce partnerships.