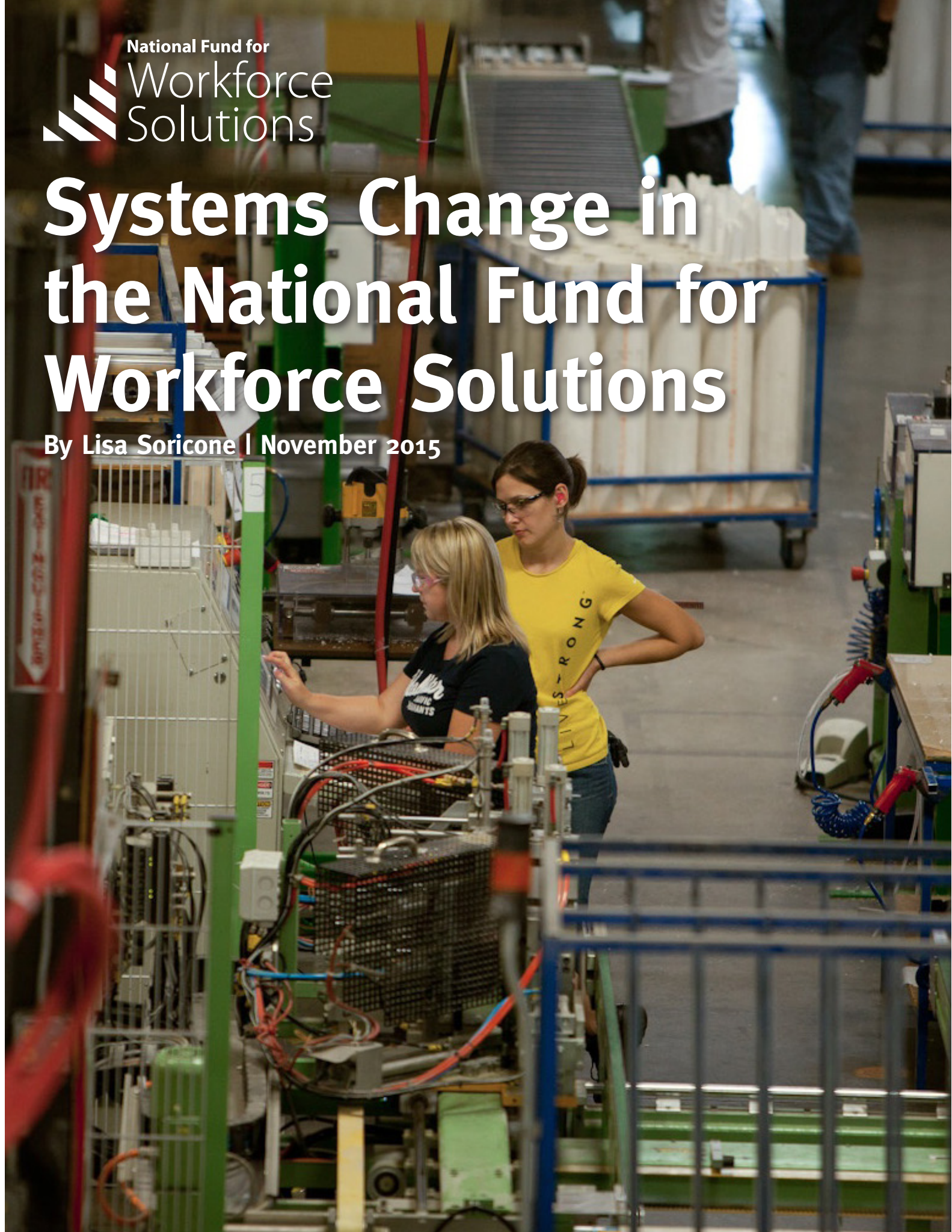


Systems Change in the National Fund for Workforce Solutions

By Lisa Soricone | November 2015





The **National Fund for Workforce Solutions** is a growing national partnership of employers, workers, communities, local and national funders, and workforce practitioners that work to strengthen local economies by implementing demand-driven employment strategies that advance the skills of American workers while also resolving the skills gaps facing American businesses. Operating in 35 communities across 26 states, the National Fund works with its partner communities to drive practices, policies, and investments to improve family-supporting career opportunities for low-wage and unemployed individuals, provide employers with skilled workers, and advance local economic development.

Integral to its success is the fact that the National Fund model engages employers in its workforce and economic

development activities and uses these strong relationships to identify local skills gaps, target critical workers, and coordinate collective solutions to local and regional workforce challenges. Since 2007, the National Fund has provided more than 67,000 individuals with education and training services to help them prepare for and advance their careers. At the same time, the National Fund has served over 5,000 employers employing over 1 million workers by assisting them to find and retain the skilled workers they need to remain competitive. Starting in 2007 and currently in its second five-year phase, the National Fund has received recognition from the Obama administration as an exemplary model for employer-responsive training and a key partner in the White House's UpSkill America Initiative.

To learn more, visit: www.nfwsolutions.org

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Executive Summary

Since its inception in 2007, the National Fund for Workforce Solutions has been committed to improving the education and workforce systems responsible for providing opportunities for low-income or disadvantaged individuals to gain skills and obtain careers paying family-supporting wages and benefits, while simultaneously addressing business needs. This was a fundamental rationale for creating the Fund: without embedding sustainable changes in workforce systems it would be impossible to reach scale.

To achieve this impact the National Fund created a model structured around the organization of regional funder collaboratives that engage both public and private funders and serve as conveners, fundraisers, and decision makers in both rural and urban communities. The collaboratives establish strategic priorities and guide investments.

Collaboratives are also charged with organizing employer-led, sector-focused workforce consortia. These industry partnerships generate detailed information about the job opportunities and skill requirements of each sector and develop a training/education strategy to address the gap between what is needed and what is available in a community. These employer-driven partnerships are essential vehicles for removing institutional barriers to training, placement, and advancement. The National Fund's impact must be measured not only in how many individuals and employers are assisted, but also through its important workforce development improvements, reforms that constitute real systems change.

What constitutes a “system”? What does it mean to effect “systems change”? This report aims to address these questions by providing a framework for considering systems change and highlighting examples from National Fund communities across the country. It describes some of the activities and investments of funded collaboratives and partnerships and derives lessons from their

experiences. The purpose of the report is threefold: to share a framework for evaluating/measuring systems change, to acknowledge the extensive efforts and impact of the Fund's partner communities, and to suggest to the broader field of workforce development that systems change is both possible and essential if we are to create and sustain opportunities for workers and businesses to thrive in our current economy.

Systems Change in the National Fund

Over the course of its operation, the National Fund's understanding of the nature and importance of systems change has evolved and been enhanced by the work of regional collaboratives and industry partnerships. For the National Fund, a “system” is a set of organizations or actors—which may include individual employers, employer associations, labor-management organizations, community colleges and/or other training organizations, publicly funded career centers and other workforce development agencies, nonprofit community-based organizations, and funders—whose functions intersect toward some common purpose, in this case to simultaneously address employers' skill demands and help both future and current workers gain the skills they need to access advancement opportunities. A “system” may comprise the interaction of multiple institutions, or it may exist within individual entities, such as a single training institution or employer, or within a larger system, such as a state's community college system.

“Systems change” refers to changes in organizational policies, procedures, practices, and culture, within or across organizations that improve services or activities aimed at benefitting specific stakeholders, markets, or populations. This definition also encompasses changes in the operational boundaries between organizations, the relationships among entities and people within and across system levels,

and the perspectives of different actors within the systems (i.e., how they think about and approach challenges, goals, and strategies).¹

True systems change expands the reach of benefits of system activities to more of the targeted stakeholders and is sustained over time.^{2, 3} The changes led and supported by collaboratives and partnerships constitute “systems change” when they affect the way that organizations work, individually and collectively; when they alter stakeholder perspectives in ways that change their priorities and actions; when the changes brought about in institutions and systems increase the scale of services and opportunities offered to workers and employers; and when the structures and working relationships created through National Fund efforts are institutionalized and sustained.

National Fund efforts toward systems change focus on the four areas outlined below. A limited number of examples in each area are highlighted here, with more extensive discussion and additional examples provided in the full report.

1. Changing Educational and Workforce Development Systems

Much of the work of the National Fund is aimed at supporting educational and workforce development systems to both better respond to employers’ workforce needs and create advancement opportunities for new and incumbent workers. These efforts include expansion or improvement of training and support services, as well as improved ways of engaging employers to meet their workforce needs. Some communities focus on change within a specific area or aspect of the overall workforce development system, while others pursue improvements focused within a particular sector. In other cases, systems change is aimed at better connecting the major elements of local workforce development systems more broadly. A number of National Fund communities have demonstrated these changes. Notable examples include:

- › Louisville’s **Kentucky Manufacturing Career Center** was revamped to focus on a single sector, thereby enhancing its utility for workers and employers alike, and providing a model of improved

operation for other centers and sectors within the state.

- › The **New York Alliance for Careers in Healthcare** worked closely with employers to develop more responsive training programs to fit the labor market needs. The approach has been adopted by Mayor de Blasio to serve as the basis for widespread reforms in the city’s workforce system.
- › The **Southwest Alabama Workforce Development Council** has supported an employer-led effort to guide investments and improve the quality of educational programming, particularly among community colleges. This work provides a model that is being expanded across the state.

2. Changing Employer Practices

Employer engagement and, eventually, employer leadership, is a cornerstone of the National Fund’s approach to workforce development. Through the industry partnership model, National Fund collaboratives work directly with employers to understand workforce needs and guide the development and enhancement of education and training. Through these exchanges employers offer industry-specific insights that help enhance the responsiveness of the workforce development and education/training systems to meet their needs and prepare workers for advancement opportunities. In turn, through their involvement in partnerships, employers develop greater understanding of the value of investing resources to train and support frontline workers, and sometimes alter their operation to better leverage workers’ skills and support their continued learning and advancement.

Systems change in the area of employer practices encompasses changes in the ways that employers provide low-skill, low-wage workers with opportunities for education or skill enhancement and/or career advancement, as well as changes in practices and policies that improve wages, benefits, or working conditions for these workers. Notable examples among Fund communities include:

- › The **West Philadelphia Skills Initiative** has leveraged established employer relationships to develop employer-specific job training and

worker pipelines, while working with employers to review and improve hiring practices and structures and creating new career ladders and pathway opportunities for frontline workers.

- › The **Baltimore Center for Green Careers** is helping the growth of a burgeoning weatherization industry while working with employers to change hiring and wage policies to benefit entry-level workers. In return for connections to new customers, employers agree to hire trainees from the Center at \$14.50/hour and provide hiring opportunities to community members, including ex-offenders.
- › Working across a tri-state region of Southwest Ohio, Northern Kentucky, and Southeast Indiana, the **Health Careers Collaborative** has worked with the region's largest health care employers to change tuition benefit policies to support the education and advancement of frontline workers. Among the changes, employers agreed to offer tuition benefits up front at the beginning of classes rather than reimburse employees for the expense of tuition after the course is completed, thus making the pursuit of education more feasible for frontline workers.

3. Changing Public Policies and Investments

Many National Fund collaboratives and partnerships engage in efforts to influence public policy and investments to strengthen the quality and capacity of workforce systems. Through their work with multiple industry partnerships, collaboratives develop knowledge of industry dynamics and public workforce system capacity to train workers and support the competitiveness of local businesses.

As a result, collaboratives can offer broad, cross-sector perspectives to policy discussions on areas for improvement, strategies to build workforce system capacity, and effective direction of public resources. These efforts can lead to new state policy, regulation, practice or investment to support industry partnerships, career pathways, or other mechanisms and organizations that simultaneously support the advancement of workers and the vitality of

businesses. Notable examples among National Fund communities include:

- › The **Minneapolis Saint Paul Regional Workforce Innovation Network** collaboratively successfully advocated for the establishment of a public, standardized report card for all adult workforce training programs funded by the state's Workforce Development Fund that would show the program outcomes such as credentials obtained and post-enrollment wages based on demographic information, education level, geography, and industry. Such changes increase transparency and accountability to better guide workforce development investments.
- › Among their policy efforts, Philadelphia's **Job Opportunity Investment Network** participated in a coalition to help codify public support for industry partnerships through legislation establishing a state budget line item for such partnerships.
- › Based in Boston, **SkillWorks** has worked to influence policy at the city and state levels. Its policy wins include helping to increase funding for statewide sector-based training, employer-based training, summer youth jobs, and job training for welfare recipients. In collaboration with the **National Skills Coalition** as part of a national effort, SkillWorks produced the report, *Massachusetts' Forgotten Middle-Skill Jobs*, which brought attention to the workforce challenges faced by the state, influenced conversations among policymakers and the workforce system, and helped inform the public about the nature of middle-skill jobs and the opportunities they offer.

4. Changing Funders, Their Perspectives, and Investments

The National Fund brings together public and private funders to combine their resources in order to have a greater impact in improving workforce development systems, activities, and outcomes. As collaborative members, funder organizations are expected to do more than write a check. They must contribute to developing shared goals and visions for the collaborative and its partnerships and help to direct

collaborative activities and investments. In some cases, funders align their resources to adhere to collaborative goals, while in others they actually pool resources that are used to support collaborative and partnership work.

The National Fund's experience shows that participation in collaboratives creates another kind of systems change, less commonly considered—that among funders, particularly philanthropic entities, who, as a result of their involvement in the National Fund, develop new perspectives that influence their work within and beyond the boundaries of the collaborative. These new perspectives, in turn, influence how funders work to support the advancement of low-skill, low-wage workers.

Local funders in Boston, Central Wisconsin, and Baltimore note that participation in the National Fund offered opportunities to address important community issues and deepened their learning in areas such as evaluation and public policy. Participation in the Fund enhanced understanding and cooperation across public and private funding lines and reinforced the value of partnering to engage multiple perspectives to guide philanthropic work. Working with the Fund led to a changed mindset among funders, as described by Jennifer Riggerbach, project director at Central Wisconsin's **Incourage Community Foundation**:

We view philanthropy as catalysts: how is the philanthropic dollar a catalyst for a different model, for a different way of operating, built off of place-based needs, norms, and culture change that will result in the mutual goal of employers and workers benefitting?

Lessons Learned

Among the lessons drawn from the experience of National Fund collaboratives and partnerships in pursuing systems change is that systems change is not an overnight process. It takes time, patience, and perseverance to continue to pursue change at any level. Building individual and organizational relationships and establishing trust through collaboration are essential to the foundation of working toward change.

Relationships must be built at multiple levels of organizations, not only to gain authorization for change but also to ensure its execution. Qualitative information as well as data on labor market dynamics help to make the case for systems change. Strong leadership is required to facilitate creating a vision for change and give credibility to the effort among stakeholders. Success in one region or state can be leveraged elsewhere to promote change in other communities.

Finally from the Fund's perspective, an important lesson to be drawn is that an explicit focus on and mandate for systems change can lead to real change among workforce systems, employers, public policies, and funder mindsets.

Conclusion

The National Fund is achieving the goal set forth by its founders. Beyond the more than 67,000 participants and 5,400 employers served by its activities, the National Fund is making a significant impact in the communities where it operates through the system change work it enables and pursues. As this report describes, collaboratives and partnerships across the country are achieving systems change in multiple areas. They are enhancing the capacity of individual workforce and educational institutions and improving communication and linkages among them. They are establishing deep connections with employers and engaging their leadership to improve workers' preparation and opportunities to obtain jobs, earn more, and advance within their workplaces. Collaboratives and partnerships are leading efforts to change public policies and increase investments in workforce development. They are providing critical information and industry insights to inform system leaders and policymakers and their work is influencing the perspectives of both public and private funders.

The research undertaken for this report not only helped to validate the success of National Fund collaboratives and partnerships in achieving systems change; their experiences also provide insight into the process of fostering such change. Systems change begins with the act of convening stakeholders,

with some being brought together for the first time through the intervention of National Fund entities. Convening is necessary for the development of shared understanding and goals that foster systems change. As stakeholders work together, relationships are forged, trust is established and perspectives are altered, all of which are required for the changes ultimately achieved in practice, policy and behavior. Collaboratives and partnerships further contribute to promoting change through their intentional efforts to build the capacity of individuals and organizations and provide information that influences discussions and strategy development among stakeholders. Systems change is essentially a process of planning, acting, evaluating and learning, but it cannot happen without the strong connections that are built through collaborative and partnership efforts.

As National Fund systems change work continues to develop and deepen, the National Fund has the potential to build even stronger, more responsive workforce systems; influence the behavior of employers; raise the visibility of workforce issues; alter the perspectives of leaders within and outside workforce development; and ultimately, to reach significant scale in increasing access and opportunities for individuals to pursue family-supporting careers.

The experience of National Fund communities shows that systems change is indeed achievable. Their success suggests that communities outside the Fund can pursue change within and among systems when they establish and build on strong practice demonstrated by Fund communities. Developing strong community partnerships among workforce stakeholders, engaging employers in meaningful ways that provide insight into industry needs and expand opportunities for frontline workers, and using data to drive actions can provide the foundation to support systems change. The leadership of the National Fund hopes that the example set by the communities it supports will encourage more workforce development leaders across the country to pursue systems change to benefit ever greater numbers of employers and low-wage workers.

I. Introduction

At its inception in 2007, the leadership of the National Fund for Workforce Solutions was committed to making investments and promoting activities that would improve the education and workforce systems responsible for providing opportunities for low-income or disadvantaged individuals to obtain careers paying family-sustaining wages and benefits, while simultaneously addressing business needs. Leaders thus pursued a strategy that combines providing philanthropic funding for training and placement and for systems change, with the goal of impacting tens of thousands of workers and job seekers.

To achieve this impact the National Fund established a model based on regional funder collaboratives, which serve as conveners, fundraisers, and decision makers guiding investments. Collaborative members plan and prioritize activities as well as create a workforce development agenda for their communities. The mix of funders varies with local contexts and may include community foundations, national foundations, local United Ways, employers, workforce investment boards, cities, and counties. Many rural communities lack large numbers of traditional foundations, a situation that has provided an opportunity for creativity. Many rural collaboratives have been launched with a mix of traditional and non-traditional funders, including foundations; fund holders; public sector workforce, economic development, social services, and education entities; and businesses.

In some communities collaboratives comprise only members that contribute financial resources to the effort. In other instances, the leadership table also includes educational institutions, non-contributing employers, chambers of commerce, and public officials. In addition to responsibilities for fundraising and resource management, collaboratives are charged with establishing and/or overseeing employer-led, sector-focused workforce consortia, known as “industry partnerships.” These partnerships focus on generating detailed information about the jobs, skills, and competencies required by each sector; organizing

a training/education strategy to address the gap between what is required and what is available in the community; and implementing that strategy.

The founders believed that the National Fund needed to provide good evidence that there were better ways to bring low-wage workers into careers paying family-sustaining wages than the traditional workforce strategies being widely practiced at that time. They saw the Fund’s employer-driven partnerships as essential vehicles to remove institutional barriers to training, placement, and advancement. They wanted the National Fund’s impact to be measured not only by how many individuals were assisted but also through its important workforce development reforms that would constitute real systems change.

National Fund leaders maintained that a key thrust of its investments must always be directed to leaving behind a legacy of reforms that will impact thousands of low-wage workers long after its direct investments have ended. Leaders saw systems change as targeting three key areas: federal and state policy, education and workforce institutions, and business practices. In each of these areas there appeared to be clear impediments for entry-level workers that were amenable to reform.

To drive home this philosophy, the National Fund required that all of the regional funder collaboratives that received grant funding match the funds they receive and outline an implementation plan for their key “systems change” goals. The memorandum of understanding between the Fund with Jobs for the Future⁵ and each collaborative clearly indicated that continued support was contingent on making progress in achieving these goals. Systems change is a key goal of the Theory of Change and an element of the Fund’s Framework for Evaluation and Learning (*see the appendix on page 35*).

Another important requirement for those receiving funding is that the collaborative provide a 4:1 match to grants from the National Fund. Since the

Fund originally offered a three-year commitment of \$150,000 per year, this mandate was the catalyst for organizing collaboratives that had significant local funding support from a variety of sources. In many ways this was the first systems change created by the National Fund: diverse funders had to come together and find common ground in order to access the resources offered by the National Fund. They needed to discuss their particular workforce investment goals, reflect on the effectiveness of efforts, consider a more “collaborative” strategy that addressed the region’s key priorities, and eventually join the effort or watch from the sidelines.

As the Fund moves through its next phase in pursuit of its mission to “drive practices, policies, and investments to improve family-supporting career opportunities for low-wage and unemployed individuals, provide employers with skilled workers, and advance local economic development,” systems change will be an even greater driving force. This commitment to systems change is articulated in the Fund’s strategic principle that focuses on transforming workforce practices and systems as a means to removing barriers and enhancing opportunities.

Purpose of this Report

This report builds on an earlier National Fund evaluation report⁶ that focused on three areas of systems change engaged in by collaboratives and partnerships: public policy change, institutional change, and changes in employer practices. This publication extends the examination of systems change efforts and reflects an expanded, more nuanced understanding of systems change as it is achieved through the Fund. It helps to clarify the concept of systems change as it applies to workforce development by describing the National Fund’s framework for understanding systems change. The framework, developed with National Fund collaborative directors, includes changes to educational and workforce development systems, employer practices, federal and state policies, and investments, as well as changes in funder perspectives and investments. (The framework is

later described in more detail.) The report describes examples in each of these areas of the framework.

The report elucidates findings of a 2013 survey of National Fund collaboratives, which found that making systems change was one of the ways that collaboratives had been most successful in their work. Among their most significant achievements, collaboratives noted realizing significant changes in public policy, developing new demand-driven workforce partnership models, and building new regional leadership mechanisms to catalyze change and promote workforce innovation.⁷

Evidence of systems change is drawn from collaboratives and communities across the country, working in a variety of industry sectors. These examples demonstrate some of the steps undertaken by communities to move toward and achieve systems change, such as convening groups that have never interacted previously; improving communication structures among employers, education/training providers, and job seekers; and experimenting with changes in employer practice. The report also describes a number of ways that employers are showing leadership in acting to support the advancement of frontline workers, and surveys how the work of National Fund communities continues to influence public policy and investments. This research adds a less commonly considered element of systems change, how funders’ perspectives and activities are altered as a result of their participation in National Fund activities. Finally, in addition to describing instances of change, the report captures lessons learned from National Fund leaders and stakeholders to inform the broader workforce development field.

The experience of the National Fund helps us understand that what constitutes systems change depends on preexisting culture and conditions in a community or region; that ultimately systems change is about altering the way the organizations work individually and collectively to increase the quality and scale of services and opportunities offered to workers and employers; and that meaningful systems change must be institutionalized and sustained. Leaders of the National Fund offer this report to contribute to the field’s understanding of

how and what systems change can be achieved and to encourage broader pursuit and support for this important dimension of the success of workforce development efforts.

Methodology

This report was developed through a review of annual reports submitted to the National Fund to identify collaboratives and partnerships where systems change has occurred. The author conducted interviews with selected collaborative leaders and with additional staff and funders. The report provides a summary of the range of systems change efforts associated with the National Fund and highlights outstanding examples that demonstrate the potential of National Fund collaboratives and partnerships to achieve systems change, examples from which workforce development and other practitioners can draw inspiration and ideas for pursuing their own efforts.

II. The National Fund View of Systems Change

Over the course of its operation, the National Fund’s understanding of both the nature and importance of systems change has evolved and been enhanced by the work of collaboratives and partnerships. For the National Fund, a “system” is a set of organizations—which may include individual employers, employer associations, labor-management organizations, community colleges and/or other training organizations, publicly funded career centers and other workforce development agencies, community-based nonprofit organizations, and funders—whose functions intersect toward some common purpose. For the Fund, this purpose is simultaneously addressing employers’ skill demands and helping both future and current workers gain the skills they need to access advancement opportunities, thereby supporting and advancing regional community goals. A “system” may exist within individual entities, such as a single training institution or employer, or it may overlap with a larger system, such as a community college system within a state.

“Systems change” refers to changes in organizational policies, procedures, practices, and culture within or across organizations in a system that improve services or activities aimed at benefitting specific stakeholders, markets, or populations. The idea of systems change also encompasses changes in the operational boundaries between organizations, the relationships among entities and people within and across system levels, and the perspectives of different actors within the systems (i.e., how they think about and approach challenges, goals, and strategies).⁸ True systems change expands the reach of benefits of system activities to more of the targeted stakeholders and is sustained over time.^{9, 10}

The impetus for systems change can come from a variety of sources. Workforce development

organizations may recognize a persistent gap in services and resources that limit their success in supporting workers. Employers may find that changes in their environment require new relationships and resources to address their workforce needs. Philanthropic organizations may express priorities that encourage a new approach to solving social and economic problems. Coalitions of workforce agencies, educational institutions, employers, and funders within a region may simply recognize that the current way of preparing and supporting workers fails to address the real needs of the workers, businesses, and economies operating around them.

A Framework for Systems Change

For the National Fund specifically, the term “systems change” refers to changes that bring about fundamental improvements in four key areas:

1. The ways in which **educational and workforce development systems** support both low-skilled/low-wage workers to improve their skills, find jobs, and advance in their work lives, and employers to find new and incumbent workers with the skills necessary to support their vitality and competitiveness. This area includes expansion or improvement of training and support services, as well as improved ways of engaging employers and meeting their workforce needs.
2. The ways in which employers provide low-skilled, low-wage workers with opportunities for education or skill enhancement and/or career advancement, as well as changes in practices and policies that improve wages, benefits, or working conditions for frontline workers. This includes changes such as expansion and definition of career ladders and advancement opportunities, increased employer

support for training, and policies to increase wages and advancement of frontline workers.

3. **State policy, regulation, practice, or investment** supporting industry partnerships, career pathways, or other mechanisms and organizations that will likely lead to greater investments in low-wage workers and/or job seekers and simultaneously meet employer education, training, or skill needs.
4. Approaches by **philanthropy** to support low-skilled, low-wage workers in acquiring education and skills and finding jobs or advancing in their jobs and careers. These changes are evidenced in new perspectives and activities undertaken by public and private funders who participate in the work of collaboratives and partnerships.

This framework is outlined with indicators of success in “Table 1. The National Fund Systems Change Framework” (on page 6).

When is Change “Systems Change”?

Sometimes the work of collaboratives and partnerships leads to small-scale changes in communities as new training programs are created and conversations take place among stakeholders that had never interacted directly before. Such changes often lay the groundwork for broader and more sustained change in workforce institutions and systems.

From the National Fund’s perspective, the changes led and supported by collaboratives and partnerships constitute “systems change” when

- › they change the way that organizations work, individually and collectively,
- › they alter stakeholder perspectives in ways that change their priorities and actions,
- › the changes brought about to institutions and systems increase the scale of services and opportunities offered to workers and employers, and

- › the structures and working relationships created through National Fund efforts are institutionalized and sustained.

The degree to which changes represent “systems change” depends to some extent on the situation prior to change efforts. For instance, if workforce entities, training institutions, and employers all operate in silos in a community, then the creation of an industry partnership that brings these groups together working toward common goals might in and of itself be a form of systems change. As National Fund experience shows, systems change occurs on a kind of continuum that depends on contexts and degree of change from preexisting conditions.

How Does the National Fund Support Systems Change?

The National Fund promotes systems change among its partner communities through several mechanisms noted by staff interviewed for this report. Systems change is an element of the theory of change that serves as the basis for the Fund. Participation in the Fund thus brings with it an expectation of efforts to effect systems change. The Memorandum of Understanding established with each collaborative includes language to this effect, requiring collaboratives to: “Develop, implement, and advocate for career advancement strategies that assist low-wage workers and disadvantaged adults” as well as “advocate for changes that improve public programs and employer policies and practices.”

Funding provided through the National Fund can be used to support systems change activities, including convening stakeholders and contracting with outside organizations to expand collaborative and partnership capacity to engage in advocacy around workforce issues. As Susan Crane, executive director of **SkillUp Washington**, notes, the explicit focus on systems change makes it an integral part of collaboratives’ work as it is “part of what we report on, what we are valued for,” going well beyond the more typical counting of trainees and job placements, and facilitating pursuit of broader changes in National Fund communities.

Table 1. The National Fund Systems Change Framework

Systems Change Area	Indicators of Success
<p>1. How educational and workforce development systems support</p> <ul style="list-style-type: none"> a. low-skilled, low-wage workers in acquiring education and skills and finding jobs or advancing in their jobs and careers, and b. employers to meet the education, training, and skill needs for frontline workers—both new employees and incumbent workers. 	<ul style="list-style-type: none"> › Expansion or improvement of training/job placement services. (Institutions/organizations are working with employers or industry associations and training and placing more individuals for employers.) › Expansion of support services to promote training completion. (Institutions/organizations are providing better support to low-income, low-wage workers to complete education or training.) › Improvements in the ways workforce entities and systems engage employers. › Creating/fostering new linkages and communication among entities.
<p>2. How employer business practices</p> <ul style="list-style-type: none"> a. provide low-skilled, low-wage workers with opportunities for education/training/skills or career advancement, and b. improve wages, benefits, or working conditions for low-skilled, low-wage workers. 	<ul style="list-style-type: none"> › Expansion and increased clarity of career ladders and advancement opportunities. › Increased employer-supported training opportunities. › Increase in the number of workers having access to benefits. › Wage increases for trained workers. › New HR practices put in place within/across employers or industries.
<p>3. New local, regional, or state policy, regulation, practice, or investment that incents or supports outcomes related to systems change areas 1 or 2.</p>	<ul style="list-style-type: none"> › New policies. › New investments to support training/advancement of low-income workers.
<p>4. How philanthropy supports low-skilled, low-wage workers in acquiring education and skills and finding jobs or advancing in their jobs and careers.</p>	<ul style="list-style-type: none"> › Expansion of funding support for low-skilled, low-wage workers acquiring education and skills and finding jobs or advancing in their jobs and careers. › Creation of a workforce funder collaborative in the region. › Increase in number of funders who are members of the regional workforce funder collaborative. › Increase in funds pooled and aligned by philanthropy in support of low-skilled, low-wage workers acquiring education and skills and finding jobs or advancing in their jobs and careers. › Creating/fostering new linkages and communication among funding entities.

The collaborative structure itself promotes systems change as these groups bring together employers, workforce development and educational institutions, community organizations, and funders to develop and strengthen local capacity to serve both workers and employers. As Crane puts it, collaboratives bring these entities together

so that what they do is much more powerful than what they could do alone. They can achieve systems change by understanding what the opportunities are within a community, drawing on the size and depth of their networks, maintaining relationships, and building a reputation among partners for being able to deliver.

Through its learning network, the National Fund supports collaboratives and partnerships as they pursue systems change. Membership in the Fund offers collaborative leaders a ready network through which they can reach out to share challenges and explore strategies and innovations. Peer learning is reinforced through in-person collaborative directors' meetings and the National Fund's Annual Meeting, which brings in a wider range of perspectives, including employers, subject matter experts, and leading practitioners from around the country to share innovative workforce development strategies in relevant industry sectors. These exchanges support systems change through information exchange around topics such as employer engagement, public policy advocacy, education and training innovations, and job quality improvement strategies.

Finally, as several collaborative directors noted, the national attention garnered by the success of the National Fund communities as a whole helps to reinforce the value of industry partnerships at the local level, which builds and reinforces support for the work of collaboratives and contributes to systems change. Moreover, the Fund's brand as a national entity lends credibility to local efforts undertaken by collaboratives and partnerships.

III. Examples of Systems Change Across the National Fund

Across the National Fund, systems change occurs in a variety of forms: as workforce and educational systems are transformed, as employers adopt new policies and practices, as public policies are changed to better support workforce development, and as funders' perspectives and/or behavior is impacted by participation in collaboratives. This section of the report provides examples of systems change related to these four areas.

Changing Education and Workforce Development Systems

Much of the National Fund's work is focused on ensuring that educational and workforce development systems respond to employers' workforce needs and create advancement opportunities for new and current workers. Both at the collaborative level and through industry partnerships, employers, education and training providers, and workforce development entities come together to identify workforce challenges and codevelop solutions to address them. These efforts can lead to changes in workforce development and training structures that produce broad and lasting systems change.

Systems change efforts to improve educational and workforce development systems take a variety of forms. Some communities focus on change within a specific aspect of the overall workforce development system, while others aim at better connecting the major local workforce development actors (e.g., education/training institutions, career centers, community-based organizations, Workforce Investment Boards, and employers) more broadly. Still others pursue change in the ways the system supports a particular industry sector.

Convening and Training: Laying the Foundation for Broader Systems Change

Across National Fund communities, collaboratives and partnerships bring stakeholders together to identify workforce development issues and fund and/or create training programs, enhanced curriculum, and even new groups to address them. Although small in scale, these often groundbreaking efforts represent important steps that lay the groundwork and potential for broader, more lasting systems change.

Convening efforts frequently bring together stakeholders who have not previously worked together to shape policies and priorities. The **Detroit and Southeast Michigan Fund for Innovative Workforce Solutions** collaborative formed the Detroit Green Skills Alliance, with 100 participating employers of which 42 are regularly active, to help guide public policy and shape training opportunities, including the establishment of a pre-apprenticeship program. And Florida's **CareerEdge Funders Collaborative** created a Regional Leadership Council to coordinate and prioritize efforts across agencies, educators, and employers.

Efforts to improve training focus on responding to employers' needs. For example, the **Metro Hartford Alliance for Careers in Healthcare** partnership designed an Enhanced Certified Nurse Aide training program, which was the first in the region to address basic skills, technical training, and on-the-job-experience that employers had identified as barriers to their hiring and retention efforts. **Workforce Central Funders Collaborative's** manufacturing partnership, operating in rural Wisconsin, helped to expand state youth apprenticeships in the manufacturing sector. In response to employer demand, **Greenville Region Workforce Collaborative's Transportation Manufacturing Partnership** launched an intermediate chemical operator certification program that established a baseline in the industry for evaluating workers for promotions.

While some communities pursue small but significant changes to strengthen workforce development systems, others achieve systems change through training with a broad reach.

Systems Change Through On-Site Training

The Seattle-based collaborative **SkillUp Washington** has helped bring together parts of the workforce system to create change through its industry partnership in the transportation and logistics sector. The partnership is led by **Port Jobs**, a nonprofit intermediary created by the Port of Seattle to work with Port-related employers. Port Jobs identified the logistical challenges low-wage workers faced in accessing training programs as a barrier to their advancement and began developing airport-based training as a way to improve workers' access to these crucial services.

Working with airport employers and drawing on established relationships with community colleges, Port Jobs staff established on-site training to develop the computer and other skills required by the workforce to help retain or obtain new jobs. On-site training accommodates workers' schedules and removes a common barrier low-income workers face in their efforts to acquire further education and training. This work has grown, as today Port Jobs offers International Trade, Transportation, and Logistics job placement and training programs at the Airport Jobs Center, located at Sea-Tac International Airport, and at Airport University, Port Jobs' airport-based training partnership with Highline and South Seattle Community Colleges. Airport University serves both jobseekers and incumbent workers, offering credit-bearing courses and certifications tailored to the airport environment to help participants enter and advance in the industry.

The establishment of the Airport Jobs Center and Airport University represents major systems change as they bring together key elements of the workforce and education systems to design and institutionalize on-site training solutions that provide advancement opportunities to a significant number of adults while meeting the needs of multiple employers within the sector.

Since classes began in 2005, 650 people have completed credit-bearing college classes at Sea-Tac Airport through Airport University. Students have earned nearly 1,000 industry-recognized credentials, including First Aid, CPR, OSHA 10, SIDA (security) badges, and AOA (airfield driving) badges.

Systems Change Through Regional Certification

Virginia's **Dan River Region Collaborative** has pursued certification as a nationally Certified Work Ready Community for the region, a move that has implications for large numbers of workers, employers, and regional economic development efforts. Focusing on six localities (four counties and two cities) in the southern part of the state, the collaborative has worked with local employers, school systems, community colleges and workforce development agencies to expand the number of people in the region who obtain a National Career Readiness Certificate (NCRC) to ensure their readiness for entry-level jobs in the region.

The collaborative launched this work in 2012 in response to employer concerns about the local workforce's lack of foundational and soft skills. At the time, Virginia had been issuing its own workforce readiness credential; however, pursuing the national credential offers additional benefits to workers, employers, and the region.

For employers, the NCRC represents an objective third-party assessment of individual skills in the areas of applied mathematics, reading for information, and locating information. For workers, a national credential provides clearer benchmarks for validating skills to both future and current employers, and the credential is portable across state lines—important in the region since many workers travel from or work in nearby North Carolina. The different levels of the credential (bronze to platinum) help to clarify the depth of skills that both potential and current workers possess. As more and more employers recognize the credential, both current and potential workers are motivated to obtain and pursue higher levels of the credential. For a region where traditional census data shows a relatively low average level of educational attainment, certification as a Work Ready

Community provides a more nuanced picture of the population's assets and skills. This picture provides valuable information to attract and retain businesses in the region.

Dan River's pursuit of the Work Ready Community status represents a form of systems change focused on understanding and enhancing the quality of the local labor force. In addition to working with many of the region's employers to help them understand the meaning and utility of the NCRC, the collaborative has engaged state government, workforce investment boards, community colleges, and public school district and correctional education leaders. Mobilizing stakeholders around Work Ready Community status has helped to promote local and regional conversations around related issues. Stakeholders have discussed increasing the region's General Educational Development credential (GED) acquisition rates, increasing the number of offenders obtaining the credential in preparation for release to communities, and increasing opportunities for ex-offenders to put their documented skills to use in the labor market.

As Julie Brown, project manager for the Dan River Regional Collaborative points out, the process of systems change is not a quick one.

Systems change requires building collaboration and partnership. It takes time to get that done. It's not an overnight process; you've got to have funders and partners that understand this. We tend to be program focused—we want outputs and outcomes, and we want them quickly. If funders think systems change and regional work has value, they've got to be willing to give it the time needed to see that transformation.

Using an Industry Focus to Bring About Workforce Systems Change

National Fund collaboratives and partnerships work with employers as key partners to gain insight into industry dynamics to identify business needs and advancement opportunities for workers, and develop strategies to support the health and growth of local and regional industries. Thus, for a number of

communities, an industry focus provides the point of entry for pursuing and achieving systems change.

Industry Clusters: An Effective Focus for Systems Change

The efforts of the **Southwest Alabama Workforce Development Council** (SAWDC) demonstrate how an employer-led effort to guide investments and improve the quality of educational programming offers a new way of operating among workforce development stakeholders and provides a model for the entire state.

In Mobile, Alabama, SAWDC helps to bring together employers, community colleges, funders and other stakeholders in workforce development to support the workforce needs of employers while providing opportunities for advancement to new and incumbent workers. SAWDC was designed to serve as an industry-informed entity to help guide the allocation of workforce development resources, especially those aimed at community colleges in the region.

Working with employers across eight counties, SAWDC works with specific industry clusters—collectives of employers in an industry—to gain a deep understanding of employers' workforce needs and align workforce development resources accordingly. SAWDC currently works with four industry clusters—aviation, maritime, industrial construction/manufacturing, and health care, and will soon be moving into a fifth sector, chemical manufacturing. Clusters are selected for their high demand and growth potential.

The cluster-focused approach has proved effective in serving both workers and employers and has been chosen as a model for workforce development councils across the state. In May 2014, the governor established the Alabama Workforce Council (on which two SAWDC members serve), charged with creating a high-functioning regional council framework across the state, replicating the SAWDC model. Regional councils may vary in their composition and their locally designed strategies, but their overarching approach of understanding specific industry needs to align resources and influence the workforce

development system to better meet those needs is meant to be consistent among councils across the state. In addition to SAWDC, two of the other nine workforce development regional councils in Alabama have become National Fund communities, with a third council having submitted an application to join the network.

The work of SAWDC is in itself a form of systems change in Alabama, since prior to its existence there were few formal mechanisms for incorporating multiple perspectives from industry, public system, and economic development to guide investments in workforce development activities at the regional level.

Systems Change in Specific Sectors

While efforts such as those of SAWDC have an impact across sectors, several communities have focused on systems change within single industries. Louisville's **Kentucky Manufacturing Career Center (KMCC)** offers an example of refocusing the career center model on an industry sector, thereby enhancing its utility and serving as a model for strengthening public workforce services in other sectors.

By the spring of 2012, changes in the Louisville region were raising the need for skilled manufacturing workers, as both Ford and GE had recently decided to reinvest in local plants. While the need for workers increased, previous closures, off-shoring of jobs, and layoffs in manufacturing had left employers with a weakened workforce pipeline.

KentuckianaWorks leads the local National Fund collaborative, **WIRED65 Regional Workforce Partners**, and serves as the largest Workforce Investment Board in the Louisville region. From their vantage point in the public system, KentuckianaWorks staff saw employment opportunities on one hand and weaknesses in the public system's capacity to connect workers with jobs on the other. Career centers typically had neither strong ties to employers, nor the ability to influence the nature and quality of local training programs. As a result, their capacity for connecting workers with jobs was limited.

Inspired by the National Fund's emphasis on employer engagement, staff of KentuckianaWorks set out to

address the manufacturing worker shortage through a new approach: bringing together the services of a career center and training opportunities in a single sector-focused entity, the Kentucky Manufacturing Career Center. The Center offers workers relevant, marketable credentials and facilitates their successful transition to jobs in the manufacturing sector. KMCC recently added business services staff that meets with businesses to inform and improve the work of career specialists who serve on the frontlines to connect job seekers with job opportunities.

To guide KMCC's development, staff sought to align its offerings with the National Association for Manufacturers as well as manufacturing centers in Dayton, Ohio, and Lafayette, Indiana. Staff convened a focus group of 12 employers who found the National Career Readiness Certificate an attractive entry-level credential. Employer involvement has grown as businesses, including GE, endorsed the credentials offered by the Center and offered preferential consideration of graduates as job candidates. At present, more than 60 employers attend monthly meetings or are engaged with the Center through hiring and job fairs.

In its first two years, KMCC awarded 329 National Career Readiness Certificates and 144 Certified Production Technician credentials and placed more than 400 individuals in manufacturing jobs. Job seekers who need a GED or English as a Second Language instruction are enrolled in a Manufacturing Skills for Success class taught on site by the regional adult education partner.

The combination of training and strengthened career services focused on a single sector represents a significant change in the Louisville region's public workforce development services. The high level of engagement among employers to support the complete process of engaging, training, and placing workers makes KMCC a leader among its career center peers. Plans are underway to replicate the approach in the creation of a health care-focused career center in the region.

While KMCC focused its systems change on the career center model, the **New York Alliance for Careers in Healthcare (NYACH)** has offered an example of

aligning multiple elements of the workforce system to be more responsive to employers—and in the process has formed the basis for workforce redesign at the city government level.

The mission of NYACH is intentional systems change: it seeks to “build an effective health care workforce development system in New York City by identifying health care employers’ needs, helping education and training organizations adapt their approach to better meet those needs, and ensuring low-income and unemployed New Yorkers have access to viable career opportunities in health care.”¹¹

NYACH was established in 2011 through the public-private partnership of the New York City Department of Small Business Services, which oversees the city’s public One Stop Career Centers (called Workforce1 Centers), and the New York City Workforce Funders, a group of more than 40 private foundations that work together to enhance the effectiveness of workforce development programs in New York City.

NYACH supports multiple training partnerships and initiatives that aim to prepare and advance a range of health care workers, including home health aides, medical and dental assistants, pharmacy technicians, and unemployed new registered nurses as they transition into practice. This work builds on strong employer involvement, leading to the development and improvement of training curricula and implementation across multiple education and training institutions. NYACH partners include representatives of acute and long-term care facilities, as well as the city’s public university system and a labor-management partnership.

NYACH serves as the pivotal convener to bring together these multiple perspectives for the exchange of labor market information, coordination of workforce activities, and cross-agency collaboration. Bringing these entities together has been the foundation for systems change. As Clara Park, NYACH’s program manager, sees it, “having these partners come together to talk about the

same workforce issues is in and of itself a huge achievement.” To move the partners toward change, NYACH has had to develop an understanding of each institution, as described by NYACH Director of External Relations and Communications Hannah Weinstock:

Part of working with any collaborative is understanding the goals, missions, constituencies, as well as the institutional constraints and opportunities of each institution. Each entity has its own way of working. Understanding the institutions is important to determine how to best collaborate and leverage each one’s strengths.

NYACH’s work in health care represents a significant improvement in the way that varied organizations and stakeholders work together to address workforce development for the sector. By bringing key stakeholder leaders together, partners can determine the skills and qualifications required for successful employment and adjust training opportunities accordingly. Moreover, NYACH is in a position to blend private and public funding. NYACH’s close working relationship with the New York City Department of Small Business Services allows leaders to draw on real-time employer information to guide the effective investment of Workforce Investment Act federal funds directed to effective training for the health care sector. Additionally, through the National Fund collaborative, NYACH can draw on private support from the New York City Workforce Funders to supplement and extend the impact of public workforce investments.

The model of the industry partnership embodied by NYACH has been highlighted and adopted by the mayor’s office in the recent *Career Pathways: One City Working Together* report as a key strategy to New York City’s approach to expand the city’s “capacity to provide job-relevant skills and education.”¹² NYACH’s work has gone beyond a simple training initiative to contributing to larger system capacity building, change, and improvement.

Capacity Building Efforts to Strengthen Workforce Systems

As they pursue their respective systems change agendas, some National Fund collaboratives and partnerships engage in efforts designed to build local workforce development capacity as a step toward broader systems change. These efforts may focus on strengthening the operation of education or workforce development institutions, enhancing the capacity of professionals working within these institutions, or improving communications among workforce system entities. For example,

- › **SkillWorks** created a college navigator position at the Boston Private Industry Council to serve industry partnership participants who attend Bunker Hill Community College. The navigator provides college-specific guidance on programs and resources (e.g., financial aid and counseling) to support student success, and provides information on the college back to the partnerships, thereby strengthening connections to the college. Through its Green Collar Jobs Initiative, SkillWorks offered capacity building grants, including one to the Boston Housing Authority to revise its systems for providing job training, employment, and contract opportunities for city residents. Grants allowed organizations to strengthen employer relationships, improve service delivery, refine education models, and align organizational culture, structure, and accountability mechanisms.
- › In 2013 **SkillUp Washington** implemented the first Greater Seattle Sector Skills Academy in conjunction with the Aspen Institute, offering 24 workforce development professionals from the region training to build their understanding of how to develop sector strategies and industry partnerships, including work on cross-system data sharing, communication strategies, and employer engagement.
- › In Philadelphia, staff of the **Job Opportunity Investment Network** (JOIN) have overseen efforts to increase the capacity of Career and Technical Education at the School District of Philadelphia, by developing deeper connections between CTE programs and employers, as well as managing

a grant to increase the capacity of teachers and workforce practitioners themselves via externships and professional development. As a result of this effort, 395 CTE teachers received training on CTE programming, and 51 teachers participated in business and industry partnerships (including externships, industry site visits, and other industry engagement). Moreover, **JOIN** reports that 45 percent of district programs now meet CTE state standards, compared with only 5 percent prior to the grant.

In addition to such activities, several collaboratives are taking advantage of technology to strengthen communication among regional workforce development organizations, provide labor market information to the community, and better inform jobseekers about training and employment opportunities. Notable examples include:

- › In partnership with the **Baltimore Workforce Funders Collaborative**, the **Jobs Opportunities Task Force** has created Train Baltimore, a user-friendly, searchable database designed to make it easier for jobseekers to obtain information about free and low-cost training options available in the Baltimore area.
- › In collaboration with the Mississippi Energy Institute, the **Delta Workforce Funding Collaborative** has supported development of the Get on the Grid website, designed to promote awareness of technical and professional careers in energy and advanced manufacturing. The site introduces jobseekers to a wide range of occupations, offers information on available training programs, and allows users to research local employers.
- › Working with a broad group of regional workforce partners, Atlanta's **CareerRise** has launched the Metro Atlanta eXchange for Workforce Solutions website, designed to strengthen connections and promote information sharing among workforce development stakeholders in Metro Atlanta. The site offers a searchable provider database, regional and national research and other publications, industry (including real-time) labor market data, relevant online resources, and a calendar of local and regional events. The site is

part of a collaborative project to convene local forums and provide professional development opportunities in workforce development.

Efforts such as these represent important steps toward broader systems change, as they improve information exchange to guide decision making among workforce systems, education and training program developers, employers, and workers.

Changing Employer Practices and Priorities

Employer engagement is a cornerstone of the National Fund's approach to workforce development. One of the five strategic principles under which the Fund operates is to:

Deeply engage regional employers through sector-specific partnerships that generate industry intelligence, increase employer investment in training and career development services, and support business competitiveness.¹³

Through the industry partnership model, National Fund collaboratives work directly with employers to understand workforce needs and guide the development and enhancement of education and training. Through these exchanges, employers offer specific industry insights that help enhance the responsiveness of the workforce development and education/training systems to better meet their needs and prepare workers for advancement opportunities. In turn, through their involvement in partnerships, employers develop a greater understanding of the value of investing resources to train and support frontline workers, and sometimes alter their operations to better support workers.

Small-Scale Changes Have Significant Impacts

The National Fund offers multiple examples of changes in employer policies that support the advancement of entry- and lower-level workers. In some cases, change in employer policies is small but

still significant, as it represents new attitudes and perceptions about the value of frontline and entry-level workers.

The health care sector is a particularly rich source of examples that demonstrate various ways in which employers are modifying practice and policies to better support frontline workers:

- Through its Medical Assistant Partnership with Ochsner Health System, the **New Orleans Works** collaborative is leading employers to make system-wide investments in frontline workforce training. Upon receipt of a grant from the collaborative, Ochsner initiated a market rate analysis and found that they were underpaying their medical assistants for the competencies, skills, and requirements associated with their jobs. In response, Ochsner established a staff position to focus on career advancement opportunities for low- and middle-skilled employees and agreed to across-the-board pay increases for more than 400 medical assistants (\$1/hour for all entry-level medical assistants and \$.50 to \$.75/hour for advanced-level medical assistants). This change is significant both for the number of workers it touches and because of Ochsner's position as the largest health care system in the region.
- In Iowa, when a large health care employer, UnityPoint, began participating in the Central Iowa Careers in Healthcare partnership, their organization had a policy stipulating that training funds could only be used for education that led to a two-year degree. As part of the partnership's efforts to address employer concerns, the **Central Iowa Works** collaborative contributed to funding of an on-site retention specialist, who worked with employees to understand issues related to retention. The specialist successfully advocated for changing the tuition policy, which was modified to allow the use of training funds for certificate and other programs, as long as the individual was working with the retention specialist as a support to their continued employment. Thus far, 130 employees have connected with programs through the specialist and 22 have obtained career advancements.

- › In the Minneapolis-Saint Paul region, the **Minneapolis Saint Paul Regional Workforce Innovation Network** collaborative provided a grant to Greater Twin Cities United Way, Aging Services of Minnesota, Care Providers of Minnesota, and HealthForce Minnesota, to create a self-sustaining scholarship program for the advancement of entry-level health care employees at skilled nursing facilities, particularly those who are African American, American Indian, or Latino/Hispanic. The investment enhances the long-term care workforce by providing skilled nursing facilities a tool to assist in the recruitment, retention, and advancement of high-quality workers.
- › Over the last three years, **CareerWorks: Greater Newark Workforce Funder Collaborative** made several small but significant inroads into effecting employer change within its healthcare partnership with Barnabas Health, the largest health care organization in New Jersey. Through its CareerWorks partnership with Jewish Vocational Service, Barnabas offered tuition reimbursement to Unit Secretaries, Unit Clerks, and Certified Nursing Assistants. Barnabas has changed its tuition reimbursement policy for entry-level workers and paid upfront tuition costs for 40 participants to take their CNA certificate at a local community college. Similarly, Jersey City Medical Center offered training-for-advancement opportunities to entry-level incumbent workers, with successful candidates averaging a 25 percent increase in salary. In addition to benefitting individual workers, these changes have led the New Jersey Department of Labor and Workforce Development to identify CareerWorks’ employer-centric, employer-led workforce partnerships as a model as the state develops its strategy for Workforce Investment and Opportunity Act implementation.

In other sectors, too, involvement with National Fund collaboratives and partnerships can lead employers to alter hiring practices, develop career pathways, and invest significant dollars to support worker training.

- › An evaluation of Florida’s **CareerEdge Funders Collaborative**, which works with employers in manufacturing and transportation, distribution, and logistics (in addition to health care) reports

that employer partners are changing their practices in multiple ways: “recognizing lower-level workers as a valuable part of the organization’s human capital” and building career laddering opportunities for them,” increasing the amount of in-house training available to employees with compensation for participation; investing training dollars in low-wage positions; and providing soft skills training to new employees after hire but before beginning work.¹⁴

- › Alaska Airlines, a key partner in **Port Jobs’** Sea-Tac airport training (described earlier in this report), recently pledged \$1.5 million to support training. This grant will expand worker access to training, effectively doubling the size of Airport University and adding more advanced courses than currently offered. The size of the grant reflects the value that Alaska Airlines has found in Airport University’s services in developing its workforce, as well as its commitment to supporting advancement opportunities for workers. The expansion of airport-based training has evolved from close working relationships with employers. Port Jobs has led employers to analyze career advancement structures and opportunities to help develop training programs that would both meet employers’ skill needs and allow low-skilled workers to advance along career pathways in the International Trade, Transportation, and Logistics industry sector.

Changes such as these can help reinforce for employers the value of adjusting policies and investing in frontline workers. And, as collaborative directors point out, individual employers who have positive experiences with such investments can serve as champions and become catalysts for spurring change among multiple employers within and across sectors.

Creating Systems Change in Hiring and Advancement Practices

An important area of systems change among employers is hiring, as involvement with National Fund partnerships leads employers to alter their practices in building and sustaining worker pipelines.

Employers in the Lead: CareerSTAT

One of the major investments of time and resources that the National Fund has made into systems change has been the creation of the CareerSTAT initiative. This employer-led effort was organized in 2011 for the purpose of encouraging investments into the training, education, and advancement of frontline workers as well as a concerted effort to measure the impact of those investments on workers and employers. There was also a clear intention to push for more concerted public policy attention to the needs of the frontline health care workforce. The catalyst for this organizational effort was the advent of the Affordable Care Act and the assumption that generating between 8 million and 15 million additional covered individuals would have a major impact on the demand for frontline workers and the skill sets required of these workers.

The leadership for this effort was derived from the National Fund's numerous health care partnerships. Most of the regional funder collaboratives had invested in developing partnerships with hospitals, since they were often the largest and fastest growing regional employers, and were thus most likely to be hiring during the recession of 2008-2010. Moreover there was significant interest on the part of these hospitals in focusing on incumbent workers who could be trained to help fill positions across their organizations. This was reflected in the early work of Baltimore Alliance for Careers in Health Care, the **Health Careers Collaborative** in Cincinnati, and the Health Careers Initiative in Boston.

In 2013, the National Fund secured funding from the Joyce Foundation to hire a full-time director for CareerSTAT. This resulted in a surge of growth in participating institutions and a more assertive effort to reach out to national health care organizations to deliver the message about the importance of investment in frontline workers.

Over the last two years, CareerSTAT has published multiple reports including a white paper on the implications of the Affordable Care Act, released multiple case studies documenting the career development programs of certain CareerSTAT members, expanded its partner network to include more than 80 health care organizations, and developed a national employer recognition program called the Frontline Health Care Worker Champions program. In 2015, 17 health care providers applied for this recognition and 10 organizations were recognized as Frontline Health Care Worker Champions. Each Champion was profiled by the National Fund for Workforce Solutions in order to document and showcase their exemplary career development practices and three providers were asked to present during a general session at the National Fund's 2015 Annual Meeting.

These shifts open up new opportunities for training participants to access quality jobs and possibilities for advancement.

Through their involvement with the **Preparation for Advanced Career Employment** (PACES) collaborative in Wichita, Kansas, Spirit AeroSystems altered its approach to offering jobs to training participants, has contributed more than \$200,000 to the collaborative, and has hired more than 980 individuals since 2008.

In 2011, Spirit also began to guarantee interviews to all individuals who successfully completed Assembly Technician training at Wichita Area Technical College. This approach was modified with a trial cohort launched in 2014, when Spirit made job offers to individuals prior to the Assembly Technician training; jobs were contingent on successful training completion. Moreover, Spirit has contributed \$500 per student toward the cost of the training for this cohort, for a total investment of \$16,000 in PACES in 2014.

Spirit's financial support reflects the trust that the employer had in the quality of the training as well as the company's changed perspective regarding the value of investing its dollars in frontline workers.

While in some instances, individual employers initiate change, in other communities, National Fund collaboratives and partnerships seek to effect change among groups of employers. One such group is the **West Philadelphia Skills Initiative (WPSI)**, funded by the **JOIN** collaborative in Philadelphia, which brings together employers based on geography rather than industry sector.

The initiative is based in West Philadelphia, which is home to major institutions, including Penn State University, Drexel University, and several hospitals. There is enormous economic activity in the area (approximately 70,000 jobs in a square mile)—and a significant need for better economic opportunities for its residents, as 31 percent of the population of West Philadelphia lives below the poverty level, and 45 percent of households have incomes below \$25,000/year.¹⁵

WPSI has leveraged established relationships with employers to develop employer-specific job training programs and worker pipelines. As it designs programs to meet employer needs, the initiative also helps employers think about their hiring practices and structures. For example, at Drexel, as a result of work with WPSI, organizational staff driving the HR process created a career pathway for medical assistants. In helping the organization to address a turnover problem, WPSI staff guided a review of Drexel's structure for incumbent employee advancement, leading to the creation of a pathway to bring lower-level employees into management and supervisory roles.

Economic Justice as a Lever of Systems Change

Through its industry partnership efforts, the **Baltimore Workforce Funders Collaborative (BWFC)** has helped to spur and sustain a number of changes among employer groups in pursuit of economic justice and greater opportunity for local low-income residents.

By providing funding for the **Baltimore Center for Green Careers (BCGC)** partnership, BWFC helps to support the growth of a burgeoning industry while beginning to influence employer policies around wages and hiring practices to benefit local workers. BCBG equips workers with the skills needed for employment with contractors that provide weatherization services. The partnership is led by **CivicWorks**, a community-based organization committed to a combination of environmental sustainability, poverty reduction, and jobs creation, which serves as a catalyst to mobilize employers.

BCGC offers employers a community workforce agreement, whereby employers commit to exclusively hire entry-level installers from BCGC, pay a wage of at least \$14.50/hour after 90 days, and implement hiring practices that facilitate the hiring of people who have been involved in the criminal justice system. In exchange for this commitment, BCGC connects the businesses with new weatherization customers who value using their purchasing power to create a positive economic impact. BCGC's community workforce agreement contains a scoring system for ranking employers by the extent to which they exceed baseline equitable hiring and employment standards, and allocates new customers accordingly. Under the ranking, contractors within an approved pool compete for homeowner energy audits based on the number of graduates they hire from BCGC, and the wages and benefits provided.

BCGC has successfully used employer advocacy to expand access to employment opportunities for its graduates and to ensure that emerging industry-wide business practices advance economic justice. Although in its early stages with five employers having signed on, BCGC offers an innovative employer systems change model of supplying labor and developing a growing economic sector at the same time, and has the potential for scaling in the region.

The BWFC continues to provide support to the more longstanding **BioTechnical Institute of Maryland, Inc. (BTI)**, which came about in response to a set of employers, including Johns Hopkins University, who had identified challenges in retaining lab technicians. Since lab techs were required to have a Bachelor's degree, many of those hired used the position as a

stepping stone to an advanced degree program and left after only a year or two. As employers analyzed the work of lab techs, they realized that Bachelor's-prepared techs were overqualified and that the specific skills needed for the job of lab tech could be acquired without a four-year degree.

At the same time, a biotech manufacturer was seeking to move into the Baltimore Empowerment Zone and would thus be seeking qualified candidates to fulfill its local hiring requirements. The changed thinking about potential workers and the arrival of a new employer in the city converged, and with the support of the **Abell Foundation** the bio-technical training program was launched in 1998.

Over time, through BTI, more employers have been exposed to the value of well-trained, non-degreed workers. This turnaround in thinking has created exciting opportunities for workers. The lab skills that BTI participants acquire provide a bridge to career-oriented jobs in a number of settings, including food processing, chemical companies, environmental testing, research settings, and private bio-pharmaceutical companies, thus offering low-income Baltimore residents access to "middle skill" jobs.

To support the development of relationships with employers, BFWC has begun offering "industry engagement grants" to its partnerships, specifically for the purpose of strengthening efforts to engage employers. Funds have been used for a variety of activities, including research, open house events, marketing materials development, and employer surveys.

The Far-Reaching Impact of Changing Tuition Reimbursement Policies

In the Cincinnati region, the **Partners for a Competitive Workforce** (PCW) collaborative has pursued employer systems change on a broad scale. PCW operates as a tri-state regional partnership (encompassing Southwest Ohio, Northern Kentucky and Southeast Indiana) between businesses, workforce investment boards, chambers of commerce, educational institutions, service providers, and philanthropic organizations. As part of its efforts to mobilize and align resources,

advance effective strategies, and influence policy in workforce development, PCW supports a set of industry partnerships, including the **Health Careers Collaborative** (HCC) of Greater Cincinnati. HCC's activities offer an outstanding example of changes in employer practices with significant benefits for their incumbent and future workers who pursue training and education to advance in health care.

Operating since 2004, HCC's leadership includes representatives of four of the largest hospital systems in the region, which account for more than half of the region's health care employment. In addition, partners include local community colleges and several community-based organizations that provide training and support services.

When HCC began its work, employer tuition benefit policies favored professional employees working on Bachelor's and Master's degrees. Employers provided less funding for incumbent workers earning professional certificates or Associate's degrees so that workers typically used up their tuition allotment at lower levels and were not supported to pursue higher-level degrees.

Members of the partnership came together around this issue and employers agreed to a number of important changes, including but not limited to prepaid tuition. As a condition of participation in the collaborative, employers committed to offer tuition benefits upfront so that students would not have to pay and wait for reimbursement.

These changes are significant, as they demonstrate a strong and sustained commitment to providing growth opportunities to the lowest-paid, lowest-skilled health care workers. As Janice Urbanik, executive director of PCW has observed, relatively small changes are important:

When we think about systems change, we tend to think about 'grand and glorious' things, but sometimes smaller changes can have significant impact. As people think about approaching systems change, it can be helpful to focus on something quicker and easier than shifting the course of the Titanic. So when we think about systems change, we need to think both big and small.

PCW employers have benefitted from the employee retention fostered by new tuition policies. An ROI study based on an analysis of 90 incumbent workers who participated in HCC’s Associate’s Degree Cohort program estimates the net return of participation for employers in HCC to be over \$216,000, representing a return on investment of almost 12 percent.¹⁶

A more recent study by employer partner TriHealth showed the following: a lower turnover rate for all groups participating in the **Health Careers Collaborative** programs; greater diversity in all groups involved in the HCC programs, such as an increased percentage of African Americans, Hispanics, and Asian Americans; and a greater percent change in pay over time, compared with the experience of non-participants with similar job codes.¹⁷ HCC is founded on a deep level of employer engagement, as evidenced by employers’ role in chairing the

partnership, which has served as a model for the creation of other industry partnerships in construction and advanced manufacturing that operate under the auspices of PCW.

Moving Toward Employer Change

As they work to pursue employer changes, National Fund partnerships engage employers in three broad categories of interaction outlined in Table 2. Not all employers are interested in or available for deep levels of engagement, but those who are offer important opportunities for pursuing systems change within and beyond employer organizations.

Collaborative directors note that changing employer practices and policies requires effort and is not always easy. The process often begins with the relationships established with individual employers

Table 2. Level of Employer Engagement Reported by Industry Partnerships as of December 2014

Level of Employer Engagement	Number of Employers Reporting (n = 1110)
<p>Core Employers <i>Example: employers that consistently contribute to the success of the partnership.</i></p> <ul style="list-style-type: none"> › receive services from the industry partnership; AND › participate consistently in partnership discussions; AND › one or more of the following: <ul style="list-style-type: none"> » contribute regularly to strategic decision-making » change practices in pursuit of partnership goals » contribute resources to help achieve partnership goals 	321 (29%)
<p>Partner Employers <i>Example: employers that consistently participate in the partnership but do not lead.</i></p> <ul style="list-style-type: none"> › receive services from the industry partnership; AND › participate consistently in partnership discussions 	321 (29%)
<p>Affiliate Employers <i>Example: employers that are part of the partnership community but participate sporadically and/or at a basic level.</i></p> <ul style="list-style-type: none"> › receive services from the industry partnership 	549 (49%)

and efforts to understand their unique operations and workforce needs. As collaborative and partnership leaders come to know individual employers, they can discern their common interests and convene them to further develop connections to and among employers. Bringing groups of employers together provides insights into industries, dispels myths about industry dynamics, opens channels for communication, and exposes potential opportunities for collaboration among employers, training institutions, and workforce development entities. Interviewees acknowledge that it takes time to build a relationship with employers and that it is essential to address specific problems they have identified in order to earn their trust. It is from this basis of trust and mutual recognition of the value of partnering that intermediaries can help to push for change within employer organizations.

The Next Employer Systems Change Frontier: Job Quality

While National Fund communities continue to work with employers to increase their support of training and advancement opportunities for workers, collaboratives and partnerships have begun to consider a new area of employer systems change: job quality. National Fund leaders and site directors understand that it is not always possible, in the short-term, for individuals to move into new jobs beyond entry level, and that much can be done to improve the quality of jobs that workers currently hold. Moreover, as the Hitachi Foundation has noted, in the current U.S. economy, the challenges faced by low-wage workers are linked to those faced by businesses trying to stay afloat. In their work with “Pioneer Employers,” Hitachi has shown that employers can address their own business challenges while increasing opportunities for frontline and low-wage workers.¹⁸ Inspired by these models, National Fund communities are beginning to explore how they can engage employers around improving job quality in tandem with supporting the success and competitiveness of businesses. Two collaboratives in particular are leading the charge in this area.

Cincinnati’s **Partners for a Competitive Workforce** (PCW) collaborative is pursuing this work and linking it to the tri-state region’s larger goals related

to education, income, health, and increased self-sufficiency for individuals and families. PCW’s approach is aimed at changing the mindset of employers, getting them to see employees “as assets to be leveraged instead of expenses to be minimized,”¹⁹ and aligning their talent pipeline strategy with their business strategy in ways that benefit both workers and businesses.

To begin, PCW leaders engaged a small group of employers in exploratory discussions. Based on signs of interest, PCW plans to focus on a single industry (likely manufacturing) and a small set of interested employers. The collaborative hopes to engage the help of a loaned or retired executive experienced in linking pipeline and business strategies to help work with employers around job quality issues. In addition, a regional sub-group of PCW in northern Kentucky has received a grant from the U.S. Chamber of Commerce to bring a new approach to workforce development: applying supply-chain methods to talent pipeline development with a strong emphasis on employer leadership within the framework of industry partnerships.²⁰

Illinois’ **Chicagoland Workforce Funder Alliance** (CWFA) has pursued its own approach to improving job quality. The collaborative’s leadership has come to understand that the traditional approach of “building ladders” to support the skill development and advancement of workers is not enough. As Matt Bruce, executive director of CWFA describes it, “focusing on the mobility of the workforce and not addressing the stability of the workforce leaves out an important piece. We need to make jobs better where they are.”

To address the issue, CWFA is partnering with the region’s manufacturing extension partnership, the **Illinois Manufacturing Excellence Center** (IMEC), to change the support provided to businesses and influence employer perspectives about the place of the workforce in business strategy. Through an effort known as the Genesis Movement, IMEC is moving beyond a traditional approach of offering off-the-shelf services, such as lean manufacturing or Six Sigma training, to work with businesses in a different way, engaging with a company as a whole, instead of focusing on a single process. IMEC is working with

companies on the core areas of people, process, and product, making human capital an integral part of business plans. The approach involves working with businesses over a 24-month period that includes 90-day action plans and visits to assess improvements in practice and performance. The Genesis Movement emerged from a pilot effort with 10 companies. Currently 18 businesses are involved, with the aim of expanding the reach to 80 companies over the next two years.

Although in their early stages, these efforts in Chicago and Cincinnati's tri-state region hold great promise for continuing to expand and deepen systems changes among employers with dual benefits for low-wage and frontline workers and businesses themselves.

Changing Public Policies and Investments

Many National Fund collaboratives and partnerships engage in efforts to influence public policy and investments to strengthen the quality and capacity of workforce systems to meet employer needs and expand advancement opportunities for low-wage workers and jobseekers. While collaboratives and partnerships are typically not themselves solely responsible for bringing about such changes, they regularly lend their knowledge and insights to the dialogues that influence the direction of public policies and resources. Through their work with multiple industry partnerships, collaboratives develop knowledge of industry dynamics and the capacity of public workforce systems to train workers and support the competitiveness of local businesses. As a result, collaboratives can offer broad cross-sector perspectives to policy discussions on areas for improvement, strategies to build workforce system capacity, and effective direction of public resources.

The **Minneapolis Saint Paul Regional Workforce Innovation Network** (MSPWin) collaborative has pursued policy changes to increase transparency and accountability to better guide workforce development investments. Through its policy initiative, referred to as MNWin, it focuses on three areas: expanding

and scaling career pathway investments, using standard outcome reporting and evaluation to guide investment decisions, and improving postsecondary performance reporting to highlight areas for improvement in supporting student success.

In 2014, MSPWin successfully advocated for the establishment of a public, standardized report card for all adult workforce training programs funded by the state's Workforce Development Fund to show program outcomes such as credentials obtained and post-enrollment wages based on demographic information, education level, geography, and industry.²¹ (MSPWin adopted the same standard itself and has encouraged its funders and partner organizations to do the same.) In addition MSPWin supported the expansion of an evaluation to show the net impact of workforce programs on the individual, state, and community. The first evaluation was released in January 2015²², with a second report coming out in 2017, and others every four years after that.

Because of their deep knowledge of workforce issues and their relationships with employers, educators, and workforce and community organizations, National Fund collaboratives often serve as valuable members of coalitions pushing for change. For example, Philadelphia's **Job Opportunity Investment Network** (JOIN) participated in a coalition to help codify public support for industry partnerships through legislation establishing a state budget line item for such partnerships.

In some cases, National Fund communities lead and/or help build coalitions working for change. The National Fund collaborative, **Central Iowa Works**, leads the Skills2Compete Coalition, a statewide partnership of Iowa leaders (including employers, government, labor unions, faith-based groups, community colleges, and community-based organizations) that serves as an organized voice for workforce development to the state legislature. In 2014, Skills2Compete made policy recommendations that were approved in three workforce-related areas: 1) maintenance of \$10.5 million of funding for adult basic education (a continuation of funding started in 2013, which included funding for career pathway navigators and workforce partnerships); 2) funding for

the Outcomes Initiative, a partnership between the state community college system and state workforce agency to provide educational and employment outcome data to inform policymakers and improve community college programming; and 3) instituting a change in the child care subsidy for working families, allowing individuals to qualify for child care support if they are involved in a combination of 28 hours of work and training or education, a change from the former requirement of 28 hours of work only to qualify.

In some instances, collaboratives work behind the scenes, convening discussions that contribute to legislative change. The **Bay Area Workforce Funding Collaborative** (BAWFC) has helped to fund meeting facilitation, staff support, and guidance to a state team of education and workforce leaders that work to improve the linkages between high schools, adult education, and community college pathways. The efforts of this team contributed to two pieces of legislation developed as part of the 2013-14 California State budget: AB 86 for Adult Education provides funding to plan linkages between regional high schools, adult education, and community colleges to improve access to career pathways education, and the Career Pathways Trust, which was established to fund planning grants for Linked Learning programs between high schools and community colleges, an approach that integrates rigorous academics with career-based learning and real-world workplace experiences.²³ In addition, BAWFC funded the convening of a cross-agency group to develop a workforce dashboard that, beginning in 2015, will provide policymakers and the public critical information about the impact of the state's human capital investments across virtually all major workforce programs. The collaborative facilitated the development and passage of AB 2148, which codifies this dashboard in legislation and will provide the framework for the development of a system to capture core measures required by Workforce Investment and Opportunity Act.

Through their working relationships, National Fund industry partnerships provide important connections to include the voices of employers and workers in policy and funding discussions. Employer voices are

often the key to getting policymakers to listen, as few politicians will ignore the request to meet with a group of employers from their district.

Recent efforts in Baltimore provide an example of bringing employer voices to debates on public policy. In 2014 advocates in Baltimore, including **Baltimore Workforce Funders Collaborative's** advocacy partner, the **Job Opportunities Task Force**, as well as a few BWFC-supported workforce partnerships, succeeded in passing "Ban the Box" legislation for state job applications. The legislation removes the question regarding criminal history convictions from state job applications and facilitates employment for residents of low-income neighborhoods in Baltimore. The Baltimore Center for Green Careers submitted written testimony to the Baltimore City Council and a letter to the editor at the Baltimore Sun. This communication explained BCGC's experience in persuading employers to take a person-first approach to hiring. Employers had repeatedly reported to BCGC staff that this approach has benefited their business because they were able to hire highly qualified candidates who might have been eliminated from consideration by an initial criminal records check.

Making Policy Change Central

Perhaps more than any other collaborative in the National Fund, Boston's **SkillWorks** has made systems change through public policy a central element of its work, as it is one of the three defined areas around which the collaborative offers grants, which are directed to capacity building, industry partnerships, and public policy work. Although its industry partnership work is focused on the city of Boston, SkillWorks' public policy activities are primarily aimed at addressing statewide policies and resource allocations to improve the ability of the workforce development system to help low-income individuals achieve family-supporting jobs across Massachusetts.²⁴

Given the centrality of systems change work, SkillWorks leadership made the decision early on to select a statewide coalition to lead its advocacy efforts. Through a request for proposal process, the funders engaged the **Workforce Solutions Group**

(WSG) as its public policy partner. Initially created with **SkillWorks**' funding, WSG has now established an independent identity as a multi-stakeholder coalition that promotes "an effective training and education system that increases workers' skills, advances families to self-sufficiency and promotes job creation and economic growth."²⁵ Every year, SkillWorks reviews its work plans and manages the alignment of WSG plans with the collaborative's goals.

Contracting with WSG has not only expanded SkillWorks' capacity to operate in the public policy sphere, it also created some distance between collaborative members and the advocacy process, as advocacy may lie beyond the scope of members' organizational missions or priorities. Having WSG as a partner has also strengthened SkillWorks' position for advocacy work, since WSG members have extensive knowledge of the Massachusetts legislature and legislative process, as well as long-term relationships on which to capitalize for promoting change.

Through its combined efforts with WSG and other stakeholders, SkillWorks has achieved a number of policy wins, including:

- › The creation of and continued funding for the Workforce Competitiveness Trust Fund, a state-funded initiative that supports sector-based workforce development partnerships across Massachusetts.
- › Continued funding for the Workforce Training Fund, a state fund financed by a small surcharge on the Unemployment Tax paid by Massachusetts employers to support businesses in training current and newly hired employees.
- › Increased state funding for summer jobs for youth.
- › Inclusion of funding for the Community College Workforce Development Grant Fund in the 2013 state budget.
- › The establishment of 300 annual pre-apprenticeship training slots for young adults and teens in state transportation projects.
- › A \$4.5 million increase in job training services and supports to low-income women and teen mothers

in the state's Transitional Aid to Families with Dependent Children Employment Services Program.

As its local evaluator, Mt. Auburn Associates, notes, in times of severe budget cuts, such as those following the Great Recession, SkillWorks has also contributed to minimizing decreases in funding for workforce development.²⁶

Reflecting on what has contributed to SkillWorks' effectiveness in the policy change arena, former Director Loh-Sze Leung notes the importance of a consistent long-term investment of effort:

Maintaining a consistent message, building and maintaining relationships allows us to weather currents in the environment. Eventually the timing will be right and that message will stick because of what is going on in the budget or the environment and we can leverage that opportunity. But if we haven't put in the work and maintained the relationships beforehand, we will be less successful when the time comes to move that message forward and really push for change.

To help influence workforce development policy and investments, SkillWorks has sought to change the perspectives and perceptions of practitioners and policymakers and to deepen institutional connections. It achieves this goal through the work of partnerships, capacity building efforts, and support for research needed to inform stakeholders. Its effectiveness in altering perspectives is evidenced by the results of a survey conducted by Mt. Auburn Associates of 51 individuals, including people involved in the workforce system and/or the funder collaborative. Survey respondents reported perceiving significant changes in the workforce system that reflect the changes pursued by SkillWorks over the previous five years. Responses indicate that, in comparison with five years earlier, workforce development is perceived as a more important issue; there is greater sensitivity to the needs of employers, more collaboration amongst workforce system providers, and increased awareness of the need to focus on postsecondary access and success for adults.²⁷

According to evaluators, by altering perspectives that influence policy, **SkillWorks** appears to have also influenced Boston's workforce development system so that "SkillWorks' principles now represent the

new norms for workforce development," including, as practitioners report, "new practices such as the increased use of academic and career coaching, increased capacity to work with employers, increased

Contracting for Policy Work: The Pros and Cons

In pursuing systems change through public policy advocacy, some collaboratives elect to contract with outside agencies. For example, the **Baltimore Workforce Funders Collaborative** works with the **Job Opportunities Task Force**, "an independent network of service providers, employers, and community members concerned about low-wage, low-skill employment, the insufficient numbers of jobs that pay family-supporting wages, and the impact of these issues on the economic development and revitalization of the Baltimore region."²⁸ Other collaboratives, including **JOIN** in Philadelphia, pursue these efforts by advocating for change directly rather than through a partner organization.

Reflecting on this choice during interviews, collaborative directors noted the benefits and challenges of these different approaches to public policy work. Hiring an outside entity helps to broaden the relationships and knowledge that can be leveraged to pursue policy change. Having more organizations and individuals pushing for a common agenda can help to mobilize broader support for change and allow more groups to take credit when new policies or investments are achieved. Practically speaking, a contracted partner can add to the limited capacity of often already overburdened collaborative staff. Advocacy organizations can more comfortably engage in conversations around issues such as tax policy or spending that might not be appropriate for funders or other groups to engage in. Challenges posed by contracting for public policy work include, to some extent, a loss of control over the contractor's advocacy agenda and activities and the difficulty of attributing policy wins to the collaborative as a demonstration of its impact. Joining with a coalition can also bring up inter-organizational politics that need to be analyzed and understood to avoid conflict that can stymie advocacy efforts.

For collaboratives that take on public policy work more directly, the experience builds their own capacity and relationships and allows them more control over the agenda and messaging around their policy work. In some cases, such as **SkillWorks**, the collaborative blends its own resources with those provided by hiring an outside entity to augment its internal capacity. As noted earlier, SkillWorks has contracted with the **Workforce Solutions Group** to work on advocacy for change in Massachusetts. While some work is led and carried out by WSG, SkillWorks staff plays a very active role in policy work. The SkillWorks director has been engaged in multiple systems change activities, including direct advocacy, developing a policy agenda, leading preparation of reports, and cultivating relationships with legislators, state administration, and staff.

The choice of whether to hire an outside organization to lead or expand a collaborative's public policy work ultimately may come down to staff capacity and the availability of resources. Collaborative directors' experiences suggest that for groups that decide to work with a contractor, it is important to establish agreements to clarify roles for each partner and make explicit efforts to ensure that policy work is aligned with collaborative activities and goals.

collaboration with other workforce development organizations, and increased use of data for continuous improvement.”²⁹

Providing Information to Support Systems Change

Through their work with industry partnerships, National Fund collaboratives develop extensive knowledge about specific industry needs, workforce development systems capacity, and the challenges to advancement faced by potential and incumbent workers. Collaborative staff can in turn bring this knowledge to contribute to high-level discussions that influence policy and other kinds of systems change. Participation in such conversations is an important part of systems change work, as **Baltimore Workforce Funders Collaborative** leader, Linda Dworak, points out. As a representative of the collaborative, she consults at local and regional levels and is involved in many discussions, including regional planning conversations and recent state discussions rethinking the direction of SNAP (food stamp) employment and training funds. As she notes:

Just being present and participating in a range of conversations helps our work. I can bring issues back to the collaborative for reactions and bring collaborative reactions back to other public and private planning and programming groups. Sometimes we do research that helps inform the conversations. To know where you need to be you have to be clear on what the problems are (such as resource constraints or the mismatch between skills and employer demands) and think about what tables you need to be at to help develop solutions to them.

Like BWFC, many collaboratives across the country lead and fund the development of research and reports to provide deeper understanding of conditions and opportunities as they relate to workforce development. Examples include:

› **JOIN** partnered with the CEO Council for Growth and the Drexel Center for Labor Markets & Policy to produce Greater Philadelphia’s first detailed labor market analysis. Released through a series

of individual briefings and discussions, the report identifies opportunities for ongoing dialogue related to real-time labor market information. The report was developed to aid regional employers, funders, education and training providers, and community members in strategic planning and decision making related to human capital and talent initiatives.

- › In Mississippi, the **Delta Workforce Funding Collaborative** has sponsored and promoted best practices for creating and retaining health care employees through a commissioned report from the Mississippi Office of Nursing Workforce for presentation at the Mississippi Healthcare Legislative Summit. The report allows state politicians, as well as health care employers, to learn about the National Fund’s model of deep employer engagement into industry sectors, especially in health care, and how to better provide training to accommodate the region’s growing health care needs.
- › **SkillUp Washington** was contracted by the City of Seattle’s Office of Economic Development to conduct an assessment of the feasibility of creating a new Opportunity Center in Southeast Seattle. The first Opportunity Center for Employment and Education in the state, located at North Seattle Community College, provides residents access in one location to employment services, social services, financial supports, and postsecondary education provided by Employment Security/WorkSource, Department of Social and Health Services, North Seattle Community College, and nearly 50 other community organizations.
- › In collaboration with regional visionary partnerships Agenda 360, Vision 2015, and Strive Partnership, Cincinnati’s **Partners for a Competitive Workforce** developed a regional Jobs Outlook report to inform policymakers and practitioners. As an example of how this data was used, the local Women’s Fund worked with the Economics Center at the University of Cincinnati to further examine the study’s findings around gender distribution across occupations and identify potential ways of helping women attain economic self-sufficiency in the jobs they tend to obtain.

- › Boston’s **SkillWorks** collaborative has been involved in the development of multiple reports on employment and labor market conditions in Massachusetts. Among these, in collaboration with the **National Skills Coalition** as part of a national effort, SkillWorks produced the report, *Massachusetts’ Forgotten Middle-Skill Jobs*, which brought attention to the workforce challenges faced by the state. The report influenced conversations among policymakers and the workforce system and helped inform the public about the nature of middle-skill jobs and the opportunities they offer. This work was particularly influential during the FY13 community college reform debate in Massachusetts, which led to stronger governance and financial oversight of community colleges as well as increased resources steered toward community colleges and partnerships between employers and the public workforce system.

Information and reports such as these by National Fund collaboratives stimulate and enhance discussions among public sector system leaders, policymakers, private funders, and employers. The insights provided can significantly alter the perspectives that guide investments and the policy change that support the advancement of low-skilled, low-wage workers. Moreover, the process of engaging in research builds the knowledge and expertise of National Fund site directors, thus enhancing their value to communities as individual and organizational sources of knowledge and expertise.

Changing Funder Perspectives and Investments

The National Fund was founded on the concept of bringing together public and private funders to combine their resources in order to positively impact workforce development systems, activities, and outcomes. The size, number, and nature of funders vary across the National Fund’s urban and rural communities; however, the role that they are expected to play in collaboratives is consistent. As members of collaboratives, funding organizations are expected to do more than write a check; they must

contribute to developing shared goals and visions for the collaborative and its partnerships and help to direct collaborative activities and investments. Naturally, funders must also contribute resources to the work of the collaborative. In some cases, funders align their resources to adhere to collaborative goals, while in others they actually pool resources into a single fund that is used to support collaborative and partnership work.

Another important requirement for those receiving funding was that the collaborative had to match the grants from the National Fund on a 4:1 basis. Since the Fund originally offered a three-year commitment of \$150,000 per year, this mandate was the catalyst for organizing collaboratives that had significant local funding support from a variety of sources. In many ways this was the first systems change created by the National Fund: diverse funders had to come together and find common ground in order to access the resources offered by the National Fund. They needed to discuss their particular workforce investment goals, reflect on the effectiveness of efforts, consider a more “collaborative” strategy, and eventually join the effort or watch from the sidelines.

The term “systems change” is often thought of in relation to new training opportunities and structures, as well as new employer and public policies and investments. Yet, as the National Fund’s experience shows, participation in collaboratives creates another kind of systems change—that among funders, particularly philanthropy, who, as a result of their involvement in the National Fund develop new perspectives that influence their work within and beyond the boundaries of the collaborative. Many of the Fund’s local foundations enter the work coming from a “bricks and mortar” approach to funding projects in their community; they are used to seeing the results of their work in relatively quick and tangible ways, like a new building, or support for a youth sports team, or a piece of needed equipment to realize a new program.

Working with the National Fund pushes funders to think about both purpose and success in new ways, thinking more long term, and addressing larger community issues by investing in human capital with different indicators of success (i.e., partnership

establishment, labor market outcomes, and benefits to employers). In return, as Kathleen Weiss, executive director of the **Biotechnical Institute of Maryland, Inc.**, points out, functioning as a group through collaboratives, funders provide important support to partnerships. Interacting with the collaboratives allows partnership leaders like Weiss to understand funders' shared goals and obtain information from lessons learned. Moreover, by virtue of the fact that funders interact with professionals around the country, Weiss notes, "they contribute new insights to support partnerships and help them do what they do more effectively."

The notion of collaboration itself can represent a shift for funders. For example, in Central Wisconsin, as **Workforce Central Funders Collaborative** Chair Kelly Ryan notes, "Prior to establishment of the collaborative with the National Fund, the idea of investing in human potential beyond traditional scholarships for graduating high school students was foreign; in fact the idea of authentic, sustained collaboration around shared objectives was not happening at all." Local economic conditions in this rural region created the impetus for a new approach, as changes in the paper industry led to a 40 percent loss of employment in the community. Many workers thus required re-skilling to find new work in other growing sectors, like the food manufacturing industry. The dire situation helped to bring funders to the table to address the substantial increase in unemployment and poverty in the region. (Like many rural communities, Central Wisconsin lacks a large number of traditional funders. Workforce Central Funders Collaborative thus includes traditional foundations and fund holders as well as businesses and aligned public entities.)

Amidst this crisis, the National Fund provided the platform to bring people together with the opportunity to partner regionally and with national funders such as Casey and Hitachi. As Ryan points out,

This national connection lent credibility to the process, and the urgency of the situation helped to get people to collaborate in ways they had never previously. The fact that funders who previously operated with little connection would

put money into the effort was one thing; but that they would do more than align their funds and pool them represented even more of a change.

In return for their contributions, funders who participate in National Fund collaboratives benefit from new information and perspectives, expanded professional networks, and an extension of the reach and impact of their investments. Carl Whittaker, director of the **Herb and Maxine Jacobs Foundation** in Boston, notes multiple benefits to his foundation of its involvement with the **SkillWorks** collaborative:

Every time we meet with other foundations, it gives us grist for the mill or ideas to think about for months, but scheduling meetings can be a challenge. Being part of the SkillWorks collaborative makes it happen immediately and seamlessly ... With SkillWorks we get new information and are continually finding out about organizations that are just a little outside of what we do. For example, that's how we became aware of the Family Independence Initiative, their work and how it relates to our current work (which focuses on the economic advancement of low-income individuals and families).

Involvement in National Fund collaboratives offers funders opportunities for learning through collaborative work in areas such as evaluation. As several funders interviewed noted, among individual, especially smaller foundations, resources to invest in evaluation may be limited. Participation in a collaborative allows funders to both learn about approaches to evaluation and gain deeper insights into the process of workforce development than they could typically obtain through the work of their individual organizations.

Another significant area of learning for foundations is in the realm of public policy. As Kelly Ryan points out, there is often misinformation about what foundations can and cannot do in the area of public policy and advocacy. The Workforce Central Funders Collaborative recently engaged in some work around supporting workers' access to benefits and found that they could have an impact as a group, even

in a polarized state political environment amidst a change in party leadership. By virtue of their shared objective of supporting both workers and employers in manufacturing, members of the collaborative came together and worked across party lines to avoid funding cuts to the state's technical college system, which would have hurt workers and businesses alike. Ryan notes, "It was definitely behavior change when we could model collaborative behavior that crossed political ideology toward a common objective."

Among the changes that result from the involvement of funders in National Fund collaboratives is enhanced understanding across public and private funding entities. As Carl Whittaker points out, participation in **SkillWorks** allowed his foundation to learn about how and where the public sector is investing in workforce development, information that would otherwise have been unavailable or limited at best. Such information helps funders avoid working at cross purposes and supports the complementarity of their individual investments.

As they work together, public and private funders also come to understand more about each other's constraints as well as the opportunities that they provide. Over the years of his involvement with SkillWorks, Dan Singleton, former director of adult services for the City of Boston, observed a change in the perceptions that foundations had of the public workforce system: "Over time, private funders realized that we had something of integrity to offer. Our role was accountability." The connections built through SkillWorks allowed him to get to a point where he could "pick up the phone and influence private funders," which represented a significant shift in relations between public and private funders. Singleton recognizes that he would not have been able to make such connections "without the shared experience of the collaborative, without having built relationships and trust, and demonstrating the credibility of the public funders." As a result of these relationships, private funders in turn began to call Singleton "looking for information about public programs, to hear about our experiences and what we knew about programs."

As Singleton further notes, working with SkillWorks "brought a broader perspective to the city and made the city better at defining and understanding the big picture, that it's not just about a specific fund or neighborhood. It helped us to better understand where to target our investments by including the private funder perspective." Through the work of the collaborative, "we all learned that there is no quick fix and that it's good to have a mix of investments where you can get some shorter-term outcomes and invest some money in longer-term outcomes that will get people further, but it will take longer."

As a funder partner in the **Southwest Alabama Workforce Development Council** Rebecca Byrne, president and CEO of the Community Foundation of South Alabama, notes how involvement with SAWDC has changed the way that the Community Foundation plans to work: "Work with the collaborative has emphasized the value and the need to broaden partnerships across our work, to pull in more people and perspectives around issues, and incorporate more data to drive decision making."

Participation in the National Fund alters the way that foundations and their partners view their role in collaborative work, moving beyond filling in gaps in public funding to encouraging change. Jennifer Riggenschach, project director at Central Wisconsin's **Encourage Community Foundation** and collaborative director for the National Fund's **Workforce Central Funders Collaborative**, describes this altered perspective in this way:

We view philanthropy as catalysts: how is the philanthropic dollar a catalyst for a different model, for a different way of operating, built off of place-based needs, norms, and culture change that will result in the mutual goal of employers and workers benefitting?

Riggenschach further notes that getting to the point where funding collaborative partners act in this way requires explicit effort that goes beyond memoranda of understanding, contracts, or request for proposals. Collaborative leaders can help to foster a culture of thoughtful participation among funders and their

partners by establishing clear governance and shared values and norms of operating that “build trust and foster respectful, mutually beneficial relationships around common objectives.” These values and norms shape how partners interact and ultimately become “the lens through which you do business” (i.e., create memoranda of understanding and RFPs to fund partnerships and other projects).

And as Kelly Ryan puts it, changing the way funders think and act is essential to fostering systems change:

Funders are human beings; and institutions are made up of human beings. At the end of the day, systems change doesn’t happen unless you are changing hearts and minds and the way that humans behave and interact with each other.

The ability of National Fund collaboratives to alter and influence the thinking of funders is an important element of creating the conditions for systems change to occur and be supported and sustained.

IV. Learning from the Experience of National Fund Collaboratives

While the exact mechanisms and catalysts for systems change in National Fund communities may depend on local contexts, there are common insights and lessons that can be drawn from their experience to guide other workforce development practitioners interested in promoting change.

Challenges to Changing Systems

Although many National Fund collaboratives have been successful at making systems change, collaborative directors acknowledge that it is not an easy process. Those interviewed for this report noted a number of challenges they continue to work to overcome:

System definition: As collaboratives and partnerships seek to make systems change, they need to clarify the “systems” they are targeting and get agreement on the changes they are seeking. As collaborative directors point out, it is not always easy to identify either the boundaries of a system, as it may cross multiple public and private entities, funding sources, and larger systems, or the type, direction, and magnitude of change that is desirable or even achievable. A “system” may be a group of employers, or a group of community colleges, or these entities in combination with community-based organizations and public workforce agencies all working together to train and advance a particular population. Setting system boundaries is a helpful step to determine the approach and focus of systems change efforts.

Slow pace of change: Perhaps one of the greatest challenges of systems change is the fact that it is a slow process, which, as collaborative directors note, requires patience and persistence. It takes time to build understanding and trust among stakeholders and identify the points of leverage to make change. Part of the reason the process is slow is that it often requires engagement and effort at different levels and

points of leverage—for instance, change for workforce systems has involved influencing Congress and the U.S. Department of Labor to change federal policy; state administrations and departments of labor to affect adult education and workforce development; community college administrations to shape state policy and implementation; and local workforce boards, community colleges, trainers, and employers to affect practice.

Turnover of champions: Because it is a slow process, systems change can be derailed with turnover of leaders and champions. Collaborative directors suggest that it is important to engage multiple individuals within organization, as well as multiple organizations, to withstand individual turnover and build multi-stakeholder coalitions that remain dedicated to sustaining changes, such as employer policies, over time.

Resources: Outside of the National Fund itself, funders do not typically fund systems change and instead focus on the development of programs and industry partnerships, the delivery of training and placement, and the advancement of workers. Funders do not always understand the value of an intermediary organization and the importance of supporting a convening entity and work that doesn’t produce immediate, quantifiable results. Collaboratives thus have to think creatively about how to identify additional resources to support systems change activities, including research and report development, communication activities, advocacy work, and staff time to convene and attend meetings with stakeholders and decision-making entities.

Measurement and attribution: Given the slow pace of systems change and its potentially far reach across multiple entities, it can be difficult to identify meaningful indicators of progress and measure systems change. It can also be hard at

times to determine exactly what caused changes and improvements and the extent to which collaboratives and partnerships were the cause of change such as states moving in the direction of funding industry partnerships. In some cases the collaborative serves as a direct catalyst (say by advocating for a particular funding stream), while in other instances National Fund collaboratives are operating amidst a broader national shift in how people are thinking about workforce development, such as the increasing interest in sector strategies and partnerships encouraged by the passage of the Workforce Investment and Opportunity Act.

Despite the challenges, it is clear from interviewees that pursuing systems change at local and regional levels is important to collaboratives' overall aims of supporting the advancement of low-skilled workers and the success of the businesses that employ them.

Recommendations from National Fund Collaborative Directors

Given their experience across a range of contexts toward systems change, National Fund collaborative directors offer valuable suggestions to others who seek to make and support changes in their own communities.

Make systems change an explicit goal: It is clear from National Fund activities that when systems change is identified as a goal by funders and communities alike, energy and resources are directed to it. Funders should thus consider how they can support such efforts in their work, by investing in systems change, setting targets, and helping define strategies. At the community level, leaders must make a clear case for change in workforce, education, and related systems, develop a plan for achieving it, and think creatively about how to mobilize resources to support the process.

Develop a vision: Systems change work is integral to what a collaborative seeks to accomplish. Collaborative directors recommend developing a shared goal for what the collaborative is trying to accomplish as a collective/collaborative: Engage partners in expressing what they want to see happen,

identify common points and potential contributions, then develop a vision and articulate a plan for what you want to see happen. Along the way, be open to what one collaborative director calls the “pot stirrer,” who may raise questions or bring up uncomfortable topics but who may, in doing so, give rise to new ideas for change.

Find the pain: As several collaborative directors pointed out, determining where to make change often relates to focusing on a situation where “the pain of staying the same is worse than the pain of changing.” This “pain” may be different within specific sectors, such as shortages for specific occupations, or more far reaching, such as limited capacity to connect workers to employers through career centers. The key is locating these points of pain and determining the type of change needed to address them.

Choose the right leaders: Collaborative directors emphasize the need to have the right people leading systems change. Leaders of systems change must be able to look for and seize opportunities and cultivate relationships within and beyond their communities. They must deeply understand industry needs, have credibility among stakeholders to lead the process, and know how to mobilize support for change. It is especially valuable to encourage employers to take leadership roles, as they can influence other employers as well as workforce development leaders and legislators.

Use research and data to build your case around change: The work of collaboratives demonstrates the value of gathering and presenting data to inform stakeholders, to raise the visibility of low-income workers and the challenges they face, and to call attention to the conditions and opportunities that exist within specific industry sectors.

Pick your battles and jump on any moving train: Pursuing systems change is a strategic process, as collaboratives and partnerships must decide on what they wish to pursue. It can be useful to find issues around which there is already some existing momentum. Sometimes it is necessary to identify opportunities (e.g., moving legislation) and find a way to attach your priority to it in order to see movement. Moreover, as directors note, timing

matters. Periods of strong public budgets offer better circumstances for advocating for public investments in workforce development; conversely, in times of recession, employers may be reluctant to make commitments for hiring or wage increases that they will not be able to keep if business conditions worsen. If the timing is not right for an idea, it is better to wait for a different time to advance it.

Maintain relationships: The value of relationships was repeatedly stressed among collaborative directors as the most valuable currency in bringing about systems change. It is important to create, maintain, and use relationships to make change. It is a deliberate process that should take into consideration long-term as well as short-term needs. One collaborative director gave an example of developing a relationship with a local Chamber of Commerce: it started with coffee, which led to a decision to co-invest in a labor market study, then moved on to a discussion of a “good jobs” strategy to improve wages and working conditions in the local economy. Building trust among partners is part of relationship maintenance. Establishing clear governance structures and norms for collaboration helps to foster trust among partners.

Understand your partners: Fostering systems change requires an understanding that as a collaborative or partnership leader you are managing lots of moving parts and individuals coming to the table operating out of self-interest. Partners may share similar parts of their missions but represent different stakeholders or have a focus on different neighborhoods or populations. Part of leading systems change entails managing personalities and cultures. It is important therefore to understand each institution—its goals, constraints, constituencies, opportunities, and strengths. Understanding institutions and what they bring to the table helps to determine how best to collaborate, leverage each other’s strengths, and work together toward larger systems change. For employers, it is important to understand not only business operations but also hiring practices in order to help identify potential areas for change. Engaging in individual meetings with potential partners before bringing them together as a group provides important insights into individual needs and helps identify common issues.

Set expectations among partners: It is important to help collaborative and partnership members understand that the purpose of systems change goes beyond numbers served and placed, and that this work is more than a typical training project. As such, it will require partners to participate in a deeper way.

Circulate and get a seat at important conversations: National Fund collaborative leaders recognize that part of the work of systems change is being in on important conversations taking place related to workforce development and industry issues. These conversations help to both deepen collaborative knowledge of sector issues and allow collaborative directors to contribute their knowledge of workforce issues to help guide policy and funding decisions.

Engage with multiple levels in organizations: Collaborative directors pointed out that in order to make change within organizations, there has to be a will to change among individuals that can actually make that change happen; it might be easy to get agreement from the top level (CEO), but agreement at the actual level of implementation can be more difficult. So, for example, while a CEO might agree to support investments in training, if human resources and supervisors do not support workers to participate in training, a program may be unsuccessful and have no chance at spurring widespread institutional change. Collaborative and partnership directors therefore recommend engaging with individual institutions, particularly employers, to understand how the organization works and establish connections at multiple levels.

Anticipate roadblocks: Change doesn’t happen in a vacuum; there may be political or practical roadblocks that arise. It is thus important to stay aware of the environment and analyze how change is expected to happen to identify potential challenges. For example, even something as seemingly straightforward as sharing new practices across multiple institutions can require negotiations to allow widespread implementation.

Acknowledge interim progress: Systems change can come about in stages. It is valuable to recognize interim progress. Sometimes the process of getting varied stakeholders, including competing employers,

and representatives of institutions that have never cooperated is, in and of itself, an achievement as a first step to making systems change. Recognizing progress provides an opportunity to renew commitments and reinforce the trust being forged among partners.

Build on success in other communities: Collaborative members and members of the **National Skills Coalition** have supported the launch of collaboratives and advised on state and local policies, sharing lessons and insights across communities. Success in one region or state can be leveraged elsewhere to promote change in other communities.

Tell your story: Messaging is an important support to systems change, particularly public policy change. Success stories about participants and employers can be helpful in building buy-in for scaling solutions to persistent workforce challenges. Multiple mechanisms, including newsletters, blog posts, speaking engagements, and convenings, can be used for disseminating knowledge and promoting solutions. It can be useful to distill key points from labor market data and research reports and create a one-page description of the problem and the proposed solution for legislators.

V. Conclusion

The National Fund is achieving the goal set forth by its founders. Beyond the more than 67,000 participants and 5,400 employers served by its activities, the National Fund is making a significant impact in the communities where it operates through the systems change work it enables and pursues. As this report describes, collaboratives and partnerships across the country are achieving systems change in multiple areas. They are enhancing the capacity of individual workforce and educational institutions and improving communication and linkages among them. They are establishing deep connections with employers and engaging their leadership to improve workers' preparation and opportunities to obtain jobs, earn more, and advance within their workplaces. Collaboratives and partnerships are leading efforts to change public policies and increase investments in workforce development. They are providing critical information and industry insights to inform system leaders and policymakers, and their work is influencing the perspectives of both public and private funders.

The research undertaken for this report not only helped to validate the success of National Fund collaboratives and partnerships in achieving systems change; their experiences also provide insight into the process of fostering such change. Systems change begins with the act of convening stakeholders, with some being brought together for the first time through the intervention of National Fund entities. Convening is necessary for the development of shared understanding and goals that foster systems change. As stakeholders work together, relationships are forged, trust is established and perspectives are altered, all of which are required for the changes ultimately achieved in practice, policy and behavior.

Collaboratives and partnerships further contribute to promoting change through their intentional efforts to build the capacity of individuals and organizations and provide information that influences discussions and strategy development among stakeholders. Systems change is essentially a process of planning, acting, evaluating and learning, but it cannot happen without the strong connections that are built through collaborative and partnership efforts.

As National Fund systems change work continues to develop and deepen, the National Fund has the potential to build even stronger, more responsive workforce systems; influence the behavior of employers; raise the visibility of workforce issues; alter the perspectives of leaders within and outside workforce development; and ultimately, to reach significant scale in increasing access and opportunities for individuals to pursue family-supporting careers.

The experience of National Fund communities shows that systems change is indeed achievable. Their success suggests that communities outside the Fund can pursue change within and among systems when they establish and build on strong practice demonstrated by Fund communities. Developing strong community partnerships among workforce stakeholders, engaging employers in meaningful ways that provide insight into industry needs and expand opportunities for frontline workers, and using data to drive actions can provide the foundation to support systems change. The leadership of the National Fund hopes that the example set by the communities it supports will encourage more workforce development leaders across the country to pursue systems change to benefit ever greater numbers of employers and low-wage workers.

VI. Appendix

Framework for Evaluation and Learning at the National Fund for Workforce Solutions

Performance Management	Tracking Progress	<p>How much progress has been made against goals? What is the scale of the National Fund?</p> <p>Sources: National evaluation; annual data brief; annual financial report Methods: Aggregation of data from collaboratives; comparison of progress to goals Vendors: Program and Policy Insight, LLC (PPI); the National Fund</p>
Summative Evaluation	Measuring Value to Individuals	<p>What is the value of the National Fund to individuals? To specific sub-populations? Is the National Fund more effective than other approaches?</p> <p>Sources: Social Innovation Fund evaluation; local evaluations Methods: Impact analysis and/or wage-record analysis; quasi-experimental design Vendors: IMPAQ International, LLC; local evaluators</p>
	Measuring Value to Employers	<p>What is the value of the National Fund to businesses and employers?</p> <p>Sources: Business impact studies; surveys of employers Methods: Kirkpatrick/Phillips model Vendors: Various</p>
	Measuring Value to Communities	<p>What is the value of the National Fund to communities?</p> <p>Sources: Surveys of key community stakeholders; analysis of social impact Methods: Surveys and analysis of impact on economic development, etc. Vendors: Various</p>
	Measuring Systems Change	<p>What systems change outcomes have been achieved?</p> <p>Sources: Annual systems change reports Methods: Reporting on activities and outcomes Vendors: Collaboratives; the National Fund</p>
Formative Evaluation	Learning among Collaboratives	<p>What are collaboratives learning from local evaluations?</p> <p>Sources: Various Methods: Assessment of how programs are being improved through evaluation Vendors: Collaboratives; local evaluators; Program and Policy Insight, LLC (PPI)</p>
	Learning at the National Fund	<p>What is the National Fund learning from collaboratives?</p> <p>Sources: Various Methods: Identification of innovative practices and sources of success Vendors: The National Fund; Jobs for the Future (JFF); other</p>

ENDNOTES

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- ²⁰ Learn more at U.S. Chamber of Commerce Foundation, “Talent Pipeline Management” <http://www.uschamberfoundation.org/talent-pipeline-management>
- ²¹ The report card is available at: <http://mn.gov/deed/about/what-we-do/agency-results/perform-measures/index.jsp>
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