

THE NEW NATIONAL FUND

# THE POWER OF THE NETWORK

# INTRODUCTION

In 2016 the National Fund for Workforce Solutions will launch a new, three-year strategy promoting regional and community prosperity through systems change, upskilling, and good jobs. We believe now is the time to take more determined steps to build better skills and better jobs through strengthening collaborative initiatives, scaling successful work, and developing employers' leadership.

Section I is an analysis of the National Fund's current value proposition i.e., the significant strengths of the National Fund network. Section II defines the National Fund's ambitious goals for a three-year period beginning in October 2017. Section III sets forth the strategic priorities that will make these goals achievable.

After nine years as part of Jobs for the Future, the National Fund is excited to adopt a three-year strategy promoting regional and community prosperity as an independent organization.

We appreciate your interest in the New National Fund and welcome your questions and comments.

For additional information, contact Fred Dedrick, Executive Director of the National Fund [fdedrick@nationalfund.org](mailto:fdedrick@nationalfund.org).

# VALUE PROPOSITION

The National Fund's value proposition is a statement of how well the National Fund is currently serving low-wage jobseekers and/or incumbent workers, small to middle-market employers, national and local philanthropy, and regional communities.

## SYSTEMS IMPROVEMENTS THAT REACH SCALE AND IMPACT COMMUNITIES

The National Fund and its funder collaboratives invest in a demand-driven workforce development model that generates a collection of exemplary practices. These investments create a rationale and a platform for proposing systems change that improve educational and workforce development systems, promotes philanthropic cooperation, reforms state and local policies, and impacts employer practices. Scale is achieved through the sustained implementation by the improved systems.

## INNOVATION AND IMPLEMENTATION NETWORK

The National Fund supports and cultivates a national network of experienced and knowledgeable community leaders, philanthropic innovators, engaged employers, and staff. Together this group of almost three dozen regional collaboratives has compiled a proven track record of implementing workforce development initiatives that produce positive outcomes for low-wage workers, their employers, and the local community. This network has the ability and expertise to:

- Support community-based workforce funder *Collaboratives* that combine and align public and private resources to implement strategies that address regional workforce needs and deliver skill development services for low-wage workers and employers;
- Organize, develop, and grow *Industry Partnerships* in key regional sectors, nurturing close relationships with employers, generating industry intelligence, and creating opportunities for career advancement and job placement;
- Organize and execute a *Systems Change Agenda* aimed at improving workforce, education, employer, and philanthropic practices to better serve low wage workers, improve business results and generate a shared community response;
- Nurture and develop *Employer Leaders* who provide encouragement and guidance to other employers, provide leadership to industry partnerships, and advocate for business-practice and workforce-system improvements;

- Act as a workforce *Field-building Resource* by investing in local professional development as well as by documenting exemplary practices and disseminating these examples to communities, funders, employers and policy makers.

## NATIONAL PEER LEARNING NETWORK

A unique characteristic of the National Fund is the power of its network— more than 30 organizations with their own staff, leaders, funders and strategies. During nine years of investments in programs and strategies, the National Fund has aggregated a wide variety of workforce development expertise. It shares this knowledge and learning through a national network of relationships, peer learning meetings, recognized experts, and publications that encourage the exchange of ideas, useful research, and exemplary practices.

## FINANCIAL AND PROGRAMMATIC ASSISTANCE TO PARTNER COMMUNITIES

The National Fund aggressively pursues philanthropic and public support for its network of regional collaboratives and partnerships. During the last seven years, the National Fund has provided more than \$30 million in grants to 40 regional funder collaboratives, leveraging an additional \$250 million in local funds. Most collaboratives have stated that support from national philanthropy and the Social Innovation Fund (SIF) was a catalyst in generating substantial local matching funds. To complement its grant making and improve local performance, the National Fund provides coaching, technical assistance, research papers, and access to expertise for all of its partner communities.

## EVIDENCE OF EXEMPLARY PRACTICES

The National Fund provides proof of the effectiveness of organizing and supporting sectoral industry partnerships, as demonstrated through the SIF-supported quasi-experimental evaluation carried out by IMPAQ International. Through specific case studies, the National Fund also gathers evidence of the business value of making effective investments in frontline workers. For example, CareerSTAT is a national network of health care organizations that encourages investments in frontline workers through innovative business practices that create pathways to better jobs while improving patient outcomes. In addition, the National Fund's eight-year long national evaluation provides significant outcomes data from dozens of communities. This quantitative evidence is supplemented with qualitative analysis of particular workforce development strategies.

## ACCESS TO EMPLOYER LEADERS

The National Fund is uniquely qualified to provide policymakers and others with the opportunity to engage hundreds of employers on a wide variety of workforce development issues. Its network provides access to employer leaders from multiple industry sectors, rural and urban communities,

and middle-market and small companies. The National Fund's engagement with employers is further enhanced by its support of Business Leaders United (BLU), CareerSTAT, and UpSkill America.

## LOCAL LEADERSHIP DEVELOPMENT

The National Fund network supports local community and philanthropic leaders who promote education and training investments in frontline workers, address the needs of local employers, and promote systems change. These leaders learn, test, and translate. The National Fund particularly fosters the development of employer leaders who seek to influence business practices that affect frontline workers as well as local, state, and federal workforce policy.

## INFRASTRUCTURE FOR INVESTMENT

From its inception, the National Fund has provided national philanthropy with an infrastructure of significant community diversity for potential investments in workforce development practices, innovative ideas, and systems change. Accordingly, the National Fund's partner communities gain access to grant opportunities that they can leverage to generate additional funding for their workforce development projects.

## ADVOCATE FOR GOOD JOBS AND PROSPEROUS COMMUNITIES

The National Fund believes that individuals who work hard, have required competencies, and persist deserve to be provided with fair compensation, additional training, and an encouraging pathway to improved career opportunities. It also advocates for initiatives that help small and middle market employers grow as successful enterprises by upskilling workers, implementing improved business practices, and encouraging learning among peers. In addition, the National Fund promotes greater demand-driven investments in education and skills that lead to economically healthy communities where all residents can enjoy a high quality of life.

# THE NATIONAL FUND'S DEFINITION OF SUCCESS

## Goals for 2017-2019

### Advocate for Community Prosperity and Opportunity for All

The National Fund will promote community prosperity built on valuing workers, supporting local employers, and investing in economic growth. It will support good jobs that generate a competitive advantage for employers and a career pathway to family-sustaining income.

### Increase Scale of Systems Change

The National Fund will encourage improved business and workforce system practices impacting frontline workers that reach scale, defined here as impacting 10 percent of frontline workers employed in a particular sector in a specific community. These practices include increased investments in training, apprenticeships, and/or other work-based learning; prepaid tuition and/or access to other educational services; wage and benefits improvements; articulated career pathways; paid time off and other measures.

### Provide Better Outcomes to Low-Wage Workers and Job Seekers, Especially Young Adults

The industry partnerships in the National Fund network would continue to serve between 5,000 and 6,000 low-wage jobseekers and incumbent workers annually (25 collaboratives averaging 150-250 per collaborative) by helping a minimum of 80 percent of those who complete training obtain good careers and/or advance to higher-paying jobs with better benefits. There will be a particular focus on young adults, especially in urban areas with a high concentration of opportunity youth. This will require upgraded employer engagement strategies, better alliances with young adult providers, and higher rates of placement after training.

### Increase Impact of Employer Leaders through Focus on Competitive Advantage

The National Fund's future success will depend largely on the development, growth, and dedication of employers who commit to improved business practices in their own firms, who promote these changes to peers, and who advocate for workforce system and policy improvements. They will also be key to better outcomes for young adults, a real-time understanding of industry trends and innovations, and identifying skill alignments across industries. Developing these leaders will require deliberate attention to the identification and recruitment of employer leaders who will be able to demonstrate to other businesses leaders that smart investments in frontline workers create competitive advantage.

## **Expand and Deepen CareerSTAT's Impact**

The dramatic expansion of insured individuals under the Affordable Care Act (ACA) combined with increases in Medicaid coverage, the baby-boom retirements, and the growing numbers of seniors living longer will create significant opportunities for job growth and changes in business practices. By recognizing employer leaders and disseminating exemplary practices, CareerSTAT can become a major force for upskilling significant numbers of healthcare's frontline workers and promoting public and private policies to address these challenges.

## **Enable More Effective, Sustainable Regional Collaboratives**

To achieve greater impact, the National Fund will require a national network of collaboratives and industry partnerships that are respected and supported within their own community. The National Fund will provide a core group of approximately 25 regional funder collaboratives with continued organizational, programmatic, and financial support. Investments in the collaboratives may result from direct grants, recommendations to national philanthropy, reimbursement of expenses and/or assistance with grant applications.

## **Generate Strong Industry Partnerships in New Sectors**

The regional collaboratives must be able to support a local network of industry partnerships that reach significant portions of employers in a particular sector while serving hundreds of jobseekers and incumbent workers. This will require improved assistance from the National Fund so that 80% of industry partnerships in the network exhibit most of the characteristics of a high-performing industry partnership. It will necessitate assistance in forming partnerships in new sectors such as information technology, hospitality, the maritime trades, energy, retail, and automotive technology.

## **DELIVERABLES WITH PARTNERS**

### **Improve State and Local Policies and Systems**

New governors and the recently enacted WIOA legislation will offer opportunities to improve state workforce policies that are critical to increasing investments in training and education, supporting industry partnership initiatives, promoting larger investments in work-based learning initiatives, and generating greater support for career and technical education. With a strong local presence, National Fund collaboratives are well positioned to lead states in effective WIOA implementation and engage new political officials to extend the skills agenda.

### **Improve Federal Policies**

Working with key partners such as the National Skills Coalition (NSC) and Business Leaders United (BLU), the National Fund will promote federal policies that increase investments in skill and credential acquisition and offer opportunities to better address the evolving needs of employers, incumbent workers, and job seekers. This could include promoting the use of Pell Grants for part-time students such as incumbent workers; increased federal support for training through the WIOA system; and larger investments in developing apprenticeships in new industry sectors.

# STRATEGIC PRIORITIES

If the National Fund's value proposition is an accurate description of what it is currently doing well and the National Fund's definition of success is what it is seeking to achieve in the future, then a gap exists between its current capabilities and what it must do to achieve its definition of success. Addressing this gap will require a shift in emphasis, improved performance, additional resources, and strategic partnerships.

The following are the recommended strategic priorities that can bridge that gap between what the National Fund is doing well (Section I) and what the National Fund seeks to achieve (Section II).

## ***Strengthen Collaboratives***

The regional collaboratives are the backbone of the National Fund's network and must remain strong and effective if the National Fund is to achieve its goals. To be successful, the National Fund will need to help collaboratives become attractive vehicles for not only implementing discrete workforce development projects but also contributing to broader regional prosperity initiatives.

In addition, as the SIF funding ends, many National Fund collaboratives will lose the operating funds needed to staff the collaborative and/or the industry partnerships. Reduced support from the National Fund could seriously impact the performance of some collaboratives and curtail the effectiveness of others. Since the collaboratives' ability to attract other partners and leverage funds are enhanced by national challenge grants, the National Fund must do all it can to continue re-granting resources and/or develop a new approach that yields a similar outcome.



### ***Recommendation:***

Focus National Fund staff and coaching resources on ensuring the effectiveness and sustainability of regional collaboratives through leadership development, strengthening and clarifying collaboratives' contribution to regional prosperity, improving data gathering, and identifying and securing new sources of support. This may also involve partnering with national organizations that can provide additional resources to local collaboratives.

## **Develop Employer Leaders to Promote Systems Change**

Strong employer leaders are critical to the success of the National Fund and consequently the Fund must significantly ramp up the development of local employer leaders who understand and promote systems change, job quality, and an inclusive economy. The National Fund will assist every partner community to develop a core team of three to five employer leaders who can participate in regional and national leadership development opportunities. In addition, the National Fund should work closely with Business Leaders United (BLU) to create more opportunities for employer-led policy advocacy.



### **Recommendation:**

Implement an employer leadership development initiative that brings small groups of employers together on a regional and national basis to develop their potential for promoting National Fund practices as a competitive advantage. To scale this impact, the National Fund will engage with national and local employer organizations, trade associations, and chambers of commerce.

## **Promote Community Prosperity**

The National Fund and its collaboratives must take the lead in advocating for a community prosperity strategy that values work, promotes inclusive opportunities, and supports the critical connection between investing in skills and developing the economy.



### **Recommendation:**

Engage the partner communities of the National Fund network in defining what prosperity means to their community and encourage them to develop strategies that will implement that vision.

## **Deploy Industry-Specific Expertise for Good Job Strategies**

The National Fund emphasizes to employers the importance of making job quality a part of their business strategy and provides examples of how these investments have helped to improve profitability while increasing wages and benefits. For such efforts to be successful, some employers must make significant changes. However, they may lack the expertise to understand how to implement them. The National Fund can identify and deploy this expertise to employers who seek out such assistance.



### **Recommendation:**

Develop contacts and relationships with consultants/firms that have the expertise to assist in job quality strategies and make these resources available to regional collaboratives

## ***Document and Disseminate Evaluation Strategies and Learning***

The National Fund can become the leading source for expertise on developing local evaluation and learning strategies, in addition to providing successful examples of investments in frontline workers that led to improved business and participant outcomes. Exemplary practices must be analyzed, documented, and disseminated in order to provide better tools for the workforce development field and greater visibility for the National Fund partner communities.



### ***Recommendation :***

Hire a full-time staff person to lead new evaluation and learning initiatives. Task this hire with finding appropriate national organizations to partner with the National Fund on these projects.

## ***Reform National Policy***

At present, the National Fund lacks the capacity, relationships, and expertise to carry out a national campaign that would have an ongoing impact on national policy. Business Leaders United (BLU) has the potential to be this vehicle, but it will need continued staff support and additional resources.



### ***Recommendation:***

Strengthen the strategic alliance with Business Leaders United to better coordinate efforts to achieve the National Fund's priority policy goals. Determine the strategic value of UpSkill America and other potential partners, in looking for opportunities to communicate priorities to national policy makers.

## ***Organize a New National Sector-focused Partnership***

The National Fund will consider organizing a new national sector partnership similar to CareerSTAT if opportunity combines with new resources. The recently concluded Annual Meeting showed how highly motivated small to middle market companies can work effectively with their peers to promote exemplary practices.



### ***Recommendation:***

Research opportunities to organize a national, employer-led partnership in another industry sector.

## ***Impact State and Local Policy***

There is a tremendous opportunity to impact state and local policy by providing much-needed expertise to new governors/new mayors and/or their department leaders who are anxious for new ideas. Currently, the National Fund does not have the ability or resources to make the most of this opportunity (except in a small number of states where systems change efforts were directed at state policy: Massachusetts, Iowa, and Ohio).



### ***Recommendation:***

Implement closer coordination efforts with national partners that have state and local policy expertise and staff capacity.

# THE POWER OF THE NETWORK

Thanks to nine years of public and philanthropic investments, dedicated local funders and committed leadership, the National Fund has built an impressive national network of diverse communities. With each National Fund community representing a unique blend of economy, geography, and leadership this network has engaged hundreds of local funders, worked with thousands of employers, and impacted more than 75,000 individuals. The National Fund has evolved into a learning ecosystem where close relationships encourage the generous sharing of ideas, innovations, and practical strategies.

Yet, there are still too many communities with workers who cannot support their families, employers who struggle to find skilled workers, and young adults cut off from an opportunity for a decent life.

This does not have to be America's future. Join us, and use the power of this network to bring opportunity and inclusive prosperity to all our communities.

## National Fund Collaboratives

### **Alabama:**

- Central Six Development Council (Birmingham)
- East Alabama Workforce Investment Network (Phenix City)
- Southwest Alabama Workforce Development Council (Mobile)
- West Alabama Works (Tuscaloosa)

### **California**

- Bay Area Workforce Funding Collaborative (San Francisco)

### **Connecticut:**

- Workforce Solutions Collaborative of Metro Hartford

### **Florida**

- CareerEdge Funders Collaborative (Sarasota-Bradenton)

### **Georgia**

- Atlanta CareerRise

### **Illinois**

- The Chicagoland Workforce Funder Alliance

### **Iowa**

- Central Iowa Works Funding Collaborative (Des Moines)

**Kansas:**

PACES- Preparation for Advanced Career Employment System (Wichita)

**Kentucky**

WIRED65 Regional Workforce Partners (Greater Louisville)

**Louisiana**

New Orleans Works, NOW

**Maryland**

Baltimore Workforce Funders Collaborative

**Massachusetts**

SkillWorks: Partners for a Productive Workforce (Boston)

**Minnesota**

Minneapolis Saint Paul Regional Workforce Innovation Network

**Mississippi**

Delta Workforce Funding Collaborative (Jackson)

**New Jersey**

CareerWorks: Greater Newark Workforce Funders Collaborative

**New York**

New York City Workforce Innovation Fund/NYACH

Work Train (Syracuse)

North Carolina

Triad Workforce Solutions Collaborative (Greensboro)

**Ohio**

Partners for a Competitive Workforce (Cincinnati)

**Pennsylvania**

Central PA Works

JOIN- Job Opportunity Investment Network (Philadelphia)

Pittsburgh Works

**South Carolina**

Greenville Region Workforce Collaborative

**Texas**

Pathways to Work (Dallas)

**Virginia**

Dan River Region Collaborative

**Washington**

SkillUp Washington (Seattle)

**Washington D.C.**

Greater Washington Workforce Development Collaborative

**Wisconsin**

Workforce Central (Wisconsin Rapids)

Milwaukee Area Workforce Funding Alliance



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