

LEADING AND PARTNERING FOR GREATER ECONOMIC OPPORTUNITY

A GUIDE FOR COLORADO BUSINESSES





About this Guide

The lead author for this guide is Wendy Brors, former Assistant Director, Colorado Workforce Development Council. Stephanie Veck, former Managing Director, CWDC was the advisor for the project.

Acknowledgements

A sincere thank you goes to the many people involved in reviewing and offering their input and guidance, including: CWDC's Sectors Steering Committee; Sam Walker, Executive Director, Colorado Department of Labor and Employment; Anna Ewing, COO, Office of Economic Development and International Trade; Gary Horvath, Colorado Photonics Industry Association; Andi Rugg, Executive Director, Skillful; JB Bettinger, Vice President of Human Resources, Stonebridge; Kristie LaRose, Vice President, Lifeloc Technologies; and CWDC Office staff Lee Wheeler-Berliner, Renise Walker, and Thomas Hartman.

Colorado Workforce Development Council

The vision of the Colorado Workforce Development Council (CWDC) is that every Colorado business has access to a skilled workforce and every Coloradan has access to meaningful employment, resulting in statewide economic vitality. The CWDC's mission is to facilitate the creation and sustainability of a business-led Colorado talent development system that appropriately integrates the work of economic development, education, training and workforce development to meet the needs of businesses, workers, job seekers, and students.

633 17th Street, Suite 900, Denver, Colorado 80202

303-318-8000 | cwdc@state.co.us | www.colorado.gov/cwdc





Businesses Leading and Partnering For Greater Economic Opportunity

Message from Sam Walker, Executive Director, Colorado Department of Labor and Employment

Dear Colorado Business Leaders,

As a senior executive for many years with Molson Coors Brewing Company, the world's third-largest brewer headquartered right here in Colorado, I grappled with finding talented people to build our business. I also wondered how we could do a better job connecting our business with the community in "win-win" ways.

Now that I'm privileged to lead the Colorado Department of Labor and Employment, I look back and wish I had known just how much Colorado has achieved when it comes to businesses working together to become co-creators of talent, and to solve community problems that get in the way of business success. And I'm so proud of what we can do together to trace the arc of the American dream -- that our kids can do better than us because of the world we've left them.

This nuts-and-bolts guide documents our state's uncommon success (what we've done together). It also gives you detailed, concrete guidance about leading at a collective table and opening doors (how we can work together). We know that we need to work at the speed of business, so the methods we describe can and will move just that fast.

As you look over this guide, please think of ways that these practices could help your business compete and win -- and how "win-wins" could build your business and your community.

And of course, please let me know how we can do a better job serving you and the people of Colorado. At CDLE we aim to *keep Colorado working*. Please let me know how we can do a better job.

All the best,

Sam Walker





Introduction

We hope the information in this guide will provide businesses operating in Colorado with insights into why partnering can enable a business and their community to grow in tandem more sustainably. We explore two types of partnering: *leading at a collective table* and *opening your doors*. For each type of partnering, we share Colorado's approach, outline the compelling reasons to partner, describe the type of work accomplished through the partnership, and suggest ways to move to action.

In Part I, we describe Colorado's industry-led approach to partnering and outline the opportunities businesses have to partner by *leading at a collective table* where they can engage with other businesses and public partners on common business priorities and community issues that benefit from a collaborative public-private partnership approach. When businesses band together to support programs and initiatives, a greater scale can also be more easily achieved, compounding the results.

In Part II, we describe Colorado's approach to talent development and outline the opportunities businesses have to partner by *opening their doors* to further their talent development and pipeline strategies.

Like the Rocky Mountain peaks and our state tree, the majestic blue spruce evergreen, we stand tall in Colorado. This includes the businesses operating in Colorado. We like to say that if you are a business in Colorado, to "stand tall" means not only working *in* your business but also *on* your business. By *on* your business, we mean working collectively with other businesses and strategic partners on needs such as ensuring access to effective infrastructure from roads to broadband, a local talent pipeline, and a business-friendly policy environment.

Businesses are continually asked to engage in a wide variety of programs and initiatives and many businesses support many of them. Often times, businesses position this support as employee retention or community give back. Businesses are giving money and their employees' time. When these types of business-sponsored efforts can be linked to a business competitiveness priority, the results can yield even greater economic opportunity for the business.





Part I: Partner by Leading at a Collective Table

...and watch your business grow

In Part I, we describe Colorado's industry-led approach to partnering and outline the opportunities businesses have to partner by *leading at a collective table* where they can engage with other businesses and public partners on common business priorities and community issues that benefit from a collaborative public-private partnership approach. Read on to learn about:

- Colorado's Collaborative Market
- Compelling Reasons to Lead at a Collective Table
- Partnering on Intersecting Needs
- Partnership Opportunities in Colorado
- Getting Started Checklist for Leading at a Collective Table

Colorado's Collaborative Market

WHAT'S UNIQUE IN COLORADO?

In Colorado, we intentionally invest in providing scaffolding in which effective, collective strategic partnerships can thrive. We see business growth amplified through our collaborative market culture. Yes, businesses must compete, yet to achieve optimal growth, they must increasingly collaborate locally in areas where acting individually cannot address the common economic and social needs that are integral to the achievement of business priorities.

To facilitate business collaboration, Colorado operates numerous industry networks which make it easier for businesses to find or build the strategic partnerships they need to achieve results. We hope all businesses discover the value from *leading at a collective table* as an effective means to address their collective pressing needs in collaboration with their critical public and non-profit partners.

Compelling Reasons To Lead at a Collective Table

WILL PARTNERING ENABLE YOUR BUSINESS TO ACHIEVE GREATER ECONOMIC OPPORTUNITY?

Businesses are often unable to solve their problems and address many of their business priorities by acting individually. Many needs simply require strategic partnering with other businesses and public partners regionally to be effectively addressed in a sustainable fashion. In Colorado, we believe partnerships thrive when they are "locally driven, or bottom-up, meaning from the region itself where the need for better co-operation and co-ordination of activities is recognized."

¹ Successful Partnerships A Guide. Organisation for Economic Co-operation and Development (OECD) LEED Forum for Partnerships and Local Governance, January 2006. www.oecd.org/cfe/leed/36279186.pdf





Food for Thought

Why does local matter?

- Once you become aware of an issue in your local area, where you live and work, you cannot stop seeing it.
- A community is only as strong as its weakest link.

Why is it so hard?

- Businesses are busy, focused on profitability.
- Systems integration is challenging at all levels.

How can a community move forward?

- Let business lead.
- Listen to each other at collective tables.
- Learn.
- Align resources.
- Open doors (see Part II to learn more).

How can state-level organizations support the ecosystem?

- Provide expertise.
- Provide data.
- Provide systems.
- Provide policy.

Leading at a collective table enables:

- Businesses to partner with other businesses
- Businesses to partner with public and community partners
- Public partners to partner with other public partners in alignment with business needs

Partnerships are proven to work and are continually evolving to be more effective. Shifts have been underway with respect to the underlying motivation of a partnership with many notable movements supported by extensive research nationally and globally. Highlights of a few key movements and methodologies include:

Shared Value is defined as policies and practices that enhance the competitiveness of companies while improving social and environmental conditions in the regions where they operate. It is a "management strategy focused on companies creating measurable business value by identifying and addressing social problems that intersect with their business." Shared value is created when companies recognize that there are tremendous opportunities for innovation and growth in treating social problems as business objectives. Shared value is gaining traction among many companies globally.

Collective Impact is a framework designed to tackle deeply entrenched and complex social problems. It is an innovative and structured approach to making collaboration work across government, business, philanthropy, non-profit organizations and citizens to achieve significant and lasting social change.³

³ The Collective Impact Forum, an initiative of FSG and the Aspen Institute Forum for Community Solutions. "Collective Impact." aspencommunity solutions. org/collective-impact-forum





² FSG. Shared Value Starter Kit. www.sharedvalue.org/shared-value-starter-kit

The **Organisation for Economic Co-operation and Development (OECD)** espouses "area-based partnership as the mechanism for local organizations, in particular, to work together and adapt their policies to better reflect the needs of people and the economy at the local level. Partnerships are thus a key instrument of local governance." An area-based partnership is usually designed to bring together all relevant actors within a region that can contribute to improving a given situation on an equal basis.

In short, a business leading at a collective table benefits in multiple ways because partnerships:

- Are proven to provide greater economic opportunity as well as shareholder profit
- Provide a place where a business can stay informed about their industry and keep up with competitors
- Work at a local level, providing both rural and urban economies with paths to growth
- Promote leadership development as partnerships rely on businesses to influence other businesses to join collaborative networks
- Improve the systems, communities, physical environment, social environment, or other elements of the world in which people live
- Publicly voice support for forward leaning initiatives

Partnering On Intersecting Needs

What do businesses commonly discuss and prioritize when they are *leading at a collective table*?

This list of intersecting needs that have been or are currently being addressed through strategic partnerships is rich. Examples include the opportunity to:

- Enhance industry sector marketing and promotion
- Improve talent development (education, workforce development)
 - o Pipeline development
 - Career pathway programs including work-based learning programs
 - Recruiting and hiring
 - Incumbent worker upskilling
- Make policy more business-friendly
- Support innovation and digitization in their sector

It is common for talent pipeline management to be a business priority for sector partnerships, trade associations, and workforce development boards. Through the partnership, the business members gain value by sharing in activities such as "coordinating demand planning, communicating competency and credential requirements, back-mapping talent flows, defining shared measure, and aligning public and private incentives. By joining partnerships, business can maximize their leverage in negotiating talent supply chain solutions with preferred providers and other stakeholders, such as public-sector education and workforce agencies. This is a critical

⁴ Successful Partnerships A Guide" Organisation for Economic Co-operation and Development (OECD) LEED Forum for Partnerships and Local Governance, January 2006. www.oecd.org/cfe/leed/36279186.pdf.





leverage point for small to midsize enterprises that often lack the time, bandwidth, and volume of need to influence the responsiveness of education and workforce systems." 5

As partnerships emerge, it is common for their priorities to evolve to reflect changes in their communities and markets. Over time, partnerships are well-positioned to identify and leverage changing opportunities.

Case Study: Positive ROI For Business Members of Next Gen Sector Partnerships

More than 750 businesses are actively involved in sector partnerships across Colorado. The size of businesses involved with sector partnerships:

- 3% development/seed stage--beginning of business lifecycle. Typically only owners/investors, no employees
- 18% 1-9 employees
- 31% 10-99 employees
- 20% 100-499 employees
- 27% 500+ employees

Businesses reported positive impacts from participating in a sector partnership, including:

- 65% experienced improvements in HR policies and/or employee development practices
- 50% feel they were positively branded in local market
- 38% found support in finding employees with the skills and experiences their business needs
- 36% developed new recruitment practices
- 33% formed new or enhanced joint ventures/B2B relationships
- 30% designed new or improved internal training
- 27% are developing or participating in internship or apprenticeship programs
- 25% developed new or enhanced ideas for new products and/or markets
- 21% implemented new or enhanced processes (e.g., operations, hiring, marketing, etc.)
- 20% developed new or enhanced marketing strategies

Source: CWDC Sector Partnership Annual Impact Survey

Partnership Opportunities In Colorado

WHAT PARTNERSHIP SHOULD I JOIN?

In this section, we describe the various sector networks where business leadership and engagement is required. We invite you to consider joining one or more of these networks – *to lead at a collective table* – to be heard and influence collective action. In Colorado, we believe:

⁵ Building the Talent Pipeline: An Implementation Guide. U.S. Chamber of Commerce Foundation, Center for Education and Workforce, 2015. www.uschamberfoundation.org/reports/building-talent-pipeline-implementation-guide





- Change happens locally and we embrace a regional approach operating through Colorado's 14 economic regional lenses.
- Industries have unique needs and we convene Colorado's 14 key industries, those that drive our state's economy through innovation and growth.
- Together, we can build on strengths, address new challenges, and seize new opportunities that will advance Colorado.

Industry networks come to life through industry-led, public-private partnerships where collective business priorities are addressed. Colorado is home to many such partnerships and the Colorado Workforce Development Council (CWDC) provides technical assistance to advance them, specifically:

- Next Generation Sector Partnerships
- Industry Intermediaries
- Workforce Development Boards

Next Generation Sector Partnerships

In Colorado, we purposefully blended cluster and sector approaches through our next generation sector partnerships model where industry leads and the partnership focuses on local collective business priorities. Colorado's successful next generation approach is being implemented nationally.⁶

"Cluster Strategies have become a popular economic development approach among state and local policymakers and economic development practitioners since the 1990s. An industry cluster is a group of firms, and related economic actors and institutions, that are located near one another and that draw productive advantage from their

EMPLOYER-DRIVEN, COMMUNITY-SUPPORTED SECTOR PARTNERSHIPS K-12 Adult Basic Education Community colleges Community Universities **Partners** Community-based organizations Human-services organizations Organized labor Convener Workforce boards Economic development one-stops organizations

mutual proximity and connections. Cluster analysis can help diagnose a region's economic strengths and challenges and identify realistic ways to shape the region's economic future."

"Cluster and sector strategies are often confused with each other but in practice are distinct, with the potential to be highly complementary. Traditionally, 'sector' is an employment concept, while 'cluster' is an economic-development concept. In a sense, they mirror each other. A traditional sector approach is an employment strategy that has economic ramifications; a cluster focus is an economic strategy that has

⁷ Cluster Economics. Brookings Institute, March 2006. www.brookings.edu/wp-content/uploads/2016/06/20060313 Clusters.pdf





⁶ Next Gen Sector Partnerships. 2017. www.nextgensectorpartnerships.com/

employment ramifications. In a cluster strategy, the focus is on the business, and success is viewed in terms of new start-ups, business growth, and other measures of business success. In contrast, a sector strategy focuses on the worker and opportunities to improve his or her earning capacity, typically through a mix of skill building, social support, and professional networking services. A sector strategy can be designed to complement a cluster strategy by preparing workers for the jobs a cluster will create, developing networks to help create professional connections between workers and employers, and engaging to ensure that jobs are structured to deploy and reward skills at high levels, creating value in the community."

"I participate because it grows my business. Since getting involved in organized efforts like this, I've grown my business 500-600 percent. I tell all my manufacturing peers and competitors to join:

two hours working on your industry will only help your business."

- Grady Cope, CEO, Reata Engineering, CAMA Metro Manufacturing Partnership

Colorado has been launching and growing sector partnerships for more than 11 years, and in 2013, launched the next gen model. The state has invested in regional, public-private partnerships targeting key industries that are vital to our regional economies. Important work is done throughout the state at the industry-led, public partner supported shared tables.

The next generation sector partnerships in action today in Colorado:

- Are employer-driven
- Are regional
- Are convened by a credible third party
- Act as a coordinating body across multiple education, workforce development, economic development, and other programs
- Create highly customized responses to a target industry's needs, and therefore highly accurate responses
- They are about more than workforce training
- Treat employers as partners, not just customers
- Are NOT a grant program, a short-term project, a passing fad; they are a long-term partnership

"The focus of these partnerships is to innovate the way we do business and to develop a sustainable and collaborative model for regional economic development."

— Jay Hardy, Vice President, Brinkman, and former Chair of Colorado Workforce Development Council's Sector Strategies Steering Committee

⁸ Dedrick, Fred. 2014. "Industry Partnerships: Theory and Practice" In Connecting People to Work: Workforce Intermediaries and Sector Strategies, Maureen Conway and Robert P. Giloth, Eds. New York: The American Assembly, Columbia University. 2014. P 56.





Businesses interested in joining an existing sector partnership can review the <u>online directory</u> OR contact us at <u>cwdc@state.co.us</u> if you are interested in launching a new sector partnership. Learn more about sector partnerships at <u>www.colorado.gov/cwdc</u>.

Industry Intermediaries – Trade Associations

Colorado benefits from a host of incredible trade associations that typically offer member companies services focused on advocacy, economic development, and talent development, along with connecting and convening the industry to build their networks. We refer to these industry-led associations as intermediaries, a term used to refer to organizations that serve to broker business to education, economic development and workforce development in the talent development network.

Businesses interested in joining trade association can review the online <u>list</u>.

Workforce Development Boards

Workforce Development Boards (WDBs) are part of the public workforce system and their role is to develop regional strategic plans and set funding priorities for their area. Think of your local WDB as your link to the public workforce system. As one of their many functions, many WDBs facilitate partnerships between local businesses with similar training needs. WDBs also rely on labor market information to develop sector strategies that focus resources on a particularly high growth industry for their area, often involving skill training for local businesses. More than 50 percent of each WDB's members must come from the business community. In addition, WDBs are required to have representation from local community colleges and other training providers, as well as elected officials and workforce program leaders. This ensures that current skill needs of local businesses are communicated to relevant training programs.

Businesses interested in joining a local workforce development board can review the online <u>list</u> to which you can apply. Businesses interested in joining the state workforce development board can find information about applying <u>here</u>.

Other types of business-led partnerships include chambers of commerce, academic advisory boards, professional associations, economic development organizations, community-based organizations, etc. Many of these partnerships run initiatives that coincide or align with those of sector partnerships, workforce development boards, and trade associations. Communities that are effective at coalescing partnerships focused on similar topics within a region and industry reap the benefits of such alignment.

When selecting a partnership to join or in thinking about organizing one, it is important to look for quality partnerships.

The Organisation for Economic Co-operation and Development has identified traits of a sound partnership where "a partnership is an agreement to do something together that will benefit all involved, bringing results that could not be achieved by a single partner operating alone, and reducing duplication of efforts. Furthermore, co-operation within a partnership is collaborative; it will be effective if the partners share a strategic vision,





pursue compatible targets, and are all equal members in a predetermined organizational structure." Traits include:

- Being industry-led. "...it is clear that most successful sector strategy approaches are industry-driven,
 wherein industry partners recognize their self-interest in, need for, and the potential of the partnership."
- **Inclusive membership**. All relevant actors belong to the partnership. At a minimum, this involves business, economic development, education, workforce development, community-based organizations.
- Learning culture. Continual learning is fostered to enable the broadest impact.
- Ownership and commitment. The formal commitment of the members is evidenced by a documented vision, strategy. There is a strong sense of ownership. Partnerships may include signed agreements between organizations.
- Operational excellence. An operational model that: 1) provides a framework yet is also agile to the changing needs of the partnership; 2) supports strong communications for maximum transparency; 3) monitors and evaluates performance to goals.

Getting Started Checklist for Leading at a Collective Table

✓ Discover Potential Intersecting Needs

To prepare for *leading at a collective table*, it is a good idea to identify and prioritize what opportunities you believe are critical to the growth of your business and your industry. You can start by scanning internally and then externally.

Internal Scan. Review aspects of your business and create a list of those where you are struggling or wish to do better. Suggestions include:

- The core values of the business
- Your local market development targets
- Your talent development needs and targets (employee development, recruiting and hiring, etc.)
- Is your business a Family Friendly Workplace? ¹¹ Take a <u>15-minute survey</u> with free analysis of workplace policies

¹¹ Executives Partnering to Invest in Children (EPIC). "Assessment." www.coloradoepic.org





⁹ Successful Partnerships A Guide" OECD LEED Forum for Partnerships and Local Governance, January 2006. www.oecd.org/cfe/leed/36279186.pdf

¹⁰ ETA Sector Strategies Technical Assistance Initiative: Industry Champions. Employment and Training Administration, U.S. DOL, 2015. <u>businessengagement.workforcegps.org/-/media/WorkforceGPS/ion/Files/New-Sector-Strategies/SS_Skill_Building_Industry-Champions_2_0160603FINAL.ashx</u>

External Scan. Review aspects of where you operate your business and create a list of those that are not optimized for your business needs. Suggestions include:

- Policy and regulatory environment
- Economic development priorities (e.g., infrastructure improvements, environmental management)
- Access to capital
- Branding and marketing (consider the Colorado brand, your industry's brand, local brands, etc. that influence your business success)
- Talent development network, education and training the workforce of the future
- Access to relevant innovation and technology

Intersecting Needs. Compare the results from the internal scan with the external scan. Could improvements in an external area where you operate your business significantly advance your unmet internal needs? If yes, then strategic partnering will likely yield positive results for your business.

✓ Choose a Partnership

- Select a champion and manager to lead the creation and implementation of the engagement action plan for joining and participating in a partnership
- Gauge how prepared you organization or your team is for shared value planning 12
- Research existing partnerships to select the best fit
 - Select the public-private partnerships and/or nonprofit organizations to evaluate
 - Meet with them to compare your business priorities with their priorities to find alignment
 - Join those where there is a match

If you cannot find a partnership or business-led non-profit that shares your business priorities or is open to including your business priorities, consider starting your own partnership.

✓ Partner Well

- Actively participate
- Offer to assume a leadership role
- Contribute resources
- Ensure your partners understand your business host a tour
- Visit all local partners to see what they do first hand: schools, workforce centers, public libraries, etc.

¹² Shared Value Readiness Assessment. FSG. <u>www.sharedvalue.org/readiness-assessment</u>





Part II: Partner By Opening Your Doors

...to help create the talent you need to grow your business

In Part I, we explored the power of partnering by *leading at a collective table* to work on initiatives that address collective business priorities locally. In Part II, we are discussing another type of partnering specifically aimed at building local talent. For this type of partnering, we are talking about businesses *opening their doors* and educating emerging talent to help create the talent they need to grow their business. Read on to learn about:

- Colorado's Inclusive Talent Development Approach
- Compelling Reasons to Open Your Doors
- Partnering on Talent Development
- Partnership Opportunities in Colorado
- Getting Started Checklist for Opening Your Doors

Colorado's Inclusive Talent Development Approach

WHAT'S UNIQUE IN COLORADO?

Colorado is committed to building and maintaining a strong economy, and we recognize that the foundation of a strong economy is a strong workforce. Colorado is already known nationally as a leader in the alignment of our workforce, education, and economic development systems, ensuring they are customer-centered and industry-led. As a top priority, we are building a unified, world-class talent development network to help

students, job seekers, and workers get the training they need – and help businesses find the qualified workers they need – for the jobs of today and tomorrow. Expected outcomes of this unification include:

- Businesses will use the Colorado talent development network as a reason for staying in, coming to, and expanding in Colorado. They will have easier access to tools and resources.
- Students, job seekers, and workers will have the information they need to explore a variety of education, training, and career opportunities and more easily access the resources already available to help set and achieve their career goals.







Compelling Reasons To Open Your Doors

WILL OPENING MY DOORS ENABLE MY BUSINESS TO ADDRESS SOME OF MY TALENT PROBLEMS?

The case for business involvement in talent development can be viewed from these perspectives:

- Business taking charge of their talent challenges
- Talent sourcing increasingly includes talent building strategies
- Upskilling employees, the only path forward

In the US,

67% of employers can't find qualified candidates 60% of employers have vacancies for twelve weeks or longer 1.04m unfilled skilled healthcare jobs

Source: Burning Glass Technologies

Take Charge of Talent Challenges

"The success of a nation, a community, and your company depends on its people. Companies need workers equipped with the knowledge and skills needed to compete profitably ... without the help of their employer, many of these working adults will never be able to access the education, training, and development they need to move up in their careers ... This isn't just "someone else's problem." Your business needs healthy, thriving local economies to succeed, and you have a role to play." ¹³

In today's economy, employers constantly strive to hire the best talent they can. To help ensure a well-flowing supply of qualified talent, in addition to *leading at a collective table*, we invite businesses to *open their doors* and educate people to help create the talent they need to grow their business, the essential ingredient to long-term business success in Colorado. It is simply said and challenging to fulfill jobs:

- Most people need one and want challenging and rewarding work at no less than a livable wage.
- Businesses want them filled with the most qualified candidate as they want high performing talent to grow their companies.

Colorado's economy is thriving and the demand for talent is strong. Colorado's population is growing too and the demand for a rewarding career is strong. Additionally, the nature of work continues to evolve at an increasing rate due to innovation and technology. There are many aspects to growing a talent pipeline of workers and continually upskilling workers to keep pace with change.

When students get to learn about companies and careers first hand, they are more likely to choose a program of study that will lead them to employment. When businesses *open their doors*, they are promoting their business

¹³ Upskilling Playbook for Employers. Upskill America, Workforce Development, The Aspen Institute, 2017. www.aspeninstitute.org/publications/upskilling-playbook





to potential future talent and helping to create that talent. There are growing movements nationally for business and education to partner to shift the paradigm from business as a consumer of talent to business as a producer of talent. "Skills-based hiring, competency-based credentialing, earn and learn pathways, formal apprenticeships, and other innovations that rely on demonstrated performance rather than degree proxy signaling for advancement, will become integral to national economic expansion."

"Innovation consists mainly of incremental problem solving by the people living with the problems." 15

"We believe that if employers define their role as that of the end-customer managing a talent supply chain, then they will develop compelling insights as to potential solutions to the skills gap. Those solutions will hinge on the formation of new types of partnerships that have the power to transform our education and workforce systems and create shared value for all participants, including students and workers." ¹⁶

Three key foundational principles form the basis of a demand-driven system:

- Employers play a leadership role in closing the skills gap for those jobs most critical to their competitiveness
- 2. Employers organize and manage flexible and responsive talent pipelines, including defining competencies, in partnership with education and workforce
- 3. Employers and partners work collaboratively to develop measures and incentives designed to reinforce and improve performance and results

For the CEO, it may provide them a way to leave a legacy. For the company brand, it may represent a way for the brand to be affiliated with lasting social impact in the community. For the employee, it may provide them with a challenge; a sense of purpose through teaching, mentoring, or civic engagement; and support professional development.

Directly Build Talent

Businesses are increasingly finding it essential to extend their talent strategies to include much more talent-building activities pre-employment. In the midst of ongoing global expansion and a worldwide shortage of critical talent, companies are stepping up efforts to recruit and retain a workforce diverse in both demographics

¹⁶ Tyszko, Jason A., Robert G. Sheets, and Joseph B. Fuller. Managing The Talent Pipeline: A New Approach to Closing the Skills Gap. U.S. Chamber of Commerce Foundation, Center for Education and Workforce, 2014. www.uschamberfoundation.org/sites/default/files/Managing%20the%20Talent%20Pipeline.pdf





¹⁴ Blivin, Jamai and Merrilea Mayo. A Nation Upside Down. Innovate+Educate, 2018. <u>innovate-educate.org/a_nation_upside_down</u>

¹⁵ Rework America, The Markle Economic Future Initiative. America's Moment: Creating Opportunity in the Connected Age. W.W. Norton & Company, 2015. p 40.

and ideas. ¹⁷ Powerful forces are revolutionizing how organizations function, both on the demand and supply side of talent. Businesses are experiencing changes in the:

- Demand for talent due to:
 - Evolving technological and digital productivity
 - Shifts in ways of generating business value
- Supply of talent due to:
 - Shifts in resource distribution
 - Changing workforce cultures and values

In today's economy, employers must constantly restructure work roles, skills requirements, and career pathways in order to adapt to the modern competitive business environment. ¹⁹

"Companies who have successfully attracted talent from nontraditional talent pools have justified their approach in four primary ways:

- Reduced difficulty in filling roles
- Improved retention
- Reduced cost
- Improved workforce diversity

When building the business case for adapting your approach, align your rationale to the pain points that resonate most within your organization." ²⁰

Case Study: Impact of Sector Partnerships to Students and Job Seekers

- 65% increased student/job seeker awareness of training/education programs
- 57% were involved with work-based learning opportunities (e.g. apprenticeships, internships)
- 52% were involved with the development of career pathways programs
- 78% enhanced existing or developed new training/education program(s)

Source: Sector Partnership Annual Impact Survey

²⁰ Beddingfield, Amanda Editor. Employer Playbook: Best Practices and Tools to Recruit Technology Talent from Nontraditional Sources. CEB, 2015. gradsoflife.org/wp-content/uploads/2017/06/2015-09-18-Tech-Hire EmployerPlaybook.pdf. p6.





¹⁷ A Global Diversity Dividend. Deloitte Resetting Horizons Human Capital Trends, 2013. www2.deloitte.com/content/dam/Deloitte/global/Documents/HumanCapital/dttl-hc-hctrendsglobal-8092013.pdf

¹⁸ Bhalia, Vikram, Susanne Dyrchs, and Rainer Strack. Twelve Forces That Will Radically Change How Organizations Work. The Boston Consulting Group, 2018.

¹⁹ Tyszko, Jason A., Robert G. Sheets, and Joseph B. Fuller. Managing The Talent Pipeline: A New Approach to Closing the Skills Gap. U.S. Chamber of Commerce Foundation, Center for Education and Workforce, 2014. www.uschamberfoundation.org/sites/default/files/Managing%20the%20Talent%20Pipeline.pdf

Pressures from both the supply and demand side are so large, employers will end up - through default if not desire - co-designing novel pathways to credentials, certification, employment, and promotion in order to access skilled labor. Human resources (HR) has been undergoing a transformation for many years. Some of the recent trends center on transforming HR within the business to be agile, consumer-focused, and digital and include:

- Focusing on creating a compelling employee experience
- Using an agile approach to recruit and develop employees
- Partnering with real estate to create spaces that promote the culture
- Applying a consumer marketing lens to HR
- Pilot chatbots (a computer program designed to simulate conversation with human users, especially over the Internet) in HR
- A plan for a blended workforce
- Developing career mobility options
- Investing in employee wellness
- Focusing on team development, not just individual development
- Preparing for new roles in HR

Within each of these trends are even more transformations. For recruiting, trends include:

- Mastery of data will be game-changing
- Tools will get more intelligent
- The on-demand workforce will grow
- 'Skills over schools' movement will diversify hiring
- Recruiting will get hyper-personal

Beyond adapting and leveraging these HR trends, businesses are being asked to play a larger role in the development of and participation in career pathway programs to build a pipeline of talent starting 5-10-15 years out. Businesses that are currently involved in pipeline building are seeing the benefits of being able to recruit qualified employees, but also the benefits to employee satisfaction and retention.

Building a talent pipeline requires a business to use strategies outside of traditional hiring methods, such as:

- Posting jobs and hiring directly
- Hiring a recruiting firm(s)
- Going to an educational institution and recruiting its graduates directly
- Outsourcing the work
- Promoting from within
- Going to a workforce center
- Using employee referrals

²¹ Blivin, Jamai and Merrilea Mayo. A Nation Upside Down. Innovate+Educate, 2018. innovate-educate.org/a nation upside down





"Building an inclusive, local hiring pipeline has two components: creating pathways Outside-In and the Inside-Up."

Upskill All Employees Consistently

"The skills gap can be closed with innovation, persistence, and attention to the needs of businesses. Businesses are investing in new ways of training, often tightly focused on credentials demonstrating that a person has the hard and soft skills to do the work." When it comes to the ever important job on increasing people's skills, partnering collectively is essential. Attributes of collective upskilling include:

- Is a shared responsibility
- Increases equity, learner access, and learner success
- Increases the quality of instruction
- Is data-driven and evidence-based
- Is a system, ready to change and innovate to solve the problems of tomorrow

"UpSkill America is an employer-led movement to expand opportunity for America's workers and help our economy and communities thrive by promoting training and advancement practices to help workers progress in their careers and move into better-paying jobs. UpSkill America and its partners believe:

- Investing in the skills of workers is good for businesses, employees, communities and the nation.
 Education, training, and development is critical in order for workers to advance in their careers and earn better wages
- Upskilling is most effective when employers, workers, and education/training providers are all fully committed in partnership to the success of the endeavor

The value of upskilling for business and industry:

- Increasing adult skills increases productivity
- Because higher-skilled workers are also likely to be healthier, helping adults improve their skills indirectly raises productivity
- Increasing skills expand access to employment and better-paying jobs, creating new customers for products and services"

²⁵ Upskill America. The Aspen Institute. www.upskillamerica.org/





²² Inclusive, Local Hiring: Building the Pipeline to a Healthy Community. The Hospitals Aligned for Healthy Communities toolkit series. Democracy Collaborative, Fall 2016.

²³ America Working Forward. U.S. Chamber of Commerce Foundation Special Report, Fall 2017. www.uschamberfoundation.org/sites/default/files/2017%20AWF%20Event%20Special%20Edition%20Skills%20Gap%20Report 0.pdf. p 4.

²⁴ Making Skills Everyone's Business: A Call to Transform Adult Learning in the United States. U.S. Department of Education, Office of Career, Technical, and Adult Education, 2015.

The value of upskilling for "communities:

- Low-skilled Americans are motivated to get ahead
- Raising adult skills could lift community educational attainment for the next generation as well
- States with better-educated workforces have higher economic growth and higher wages
- Raising adult skills could potentially save communities substantial amounts in healthcare costs
- Integrating immigrants may benefit communities economically
- Raising adult skills could result in more civic engagement in communities

Strategies for effective upskilling include:

- 1. Act collectively to raise awareness and take joint ownership of solutions
- 2. Transform opportunities for youth and adults to assess, improve, and use foundation skills
- 3. Make career pathways available and accessible in every community
- 4. Ensure that all students have access to highly effective teachers, leaders, and programs
- 5. Create a "no wrong door" approach for youth and adult services
- 6. Engage employers to support upskilling more front-line workers (see Upskill America)
- 7. Commit to closing the equity gap for vulnerable subpopulations" 26

Partnering on Talent Development

WHAT HAPPENS WHEN I OPEN MY DOORS?

The concept of talent extends beyond an individual.

- Talent is mightiest as a team. Talented teams are diverse and broad thinking.
- Talent is an advancing community where no one gets left behind.

Businesses can and often do build their own sourcing plans for talent. This is more common for larger employers who have the resources to dedicate to building talent development programs. Over 80% of the businesses in Colorado are small to medium-sized businesses and commonly cannot afford to build their own customized talent pipeline. This is why nearly all trade associations and sector partnerships work on talent pipeline development systems and programs within their economic region, because together a community can better leverage its limited resources to better serve both the job seeker and the business.

One way for a business to think about building a pipeline funnel is to apply some of the principles from a typical lead generation process. The illustration below shows a 15-year funnel, with businesses beginning the engagement at around 10 years old and varying interaction through hiring.

²⁶ Making Skills Everyone's Business: A Call to Transform Adult Learning in the United States. U.S. Department of Education, Office of Career, Technical, and Adult Education, 2015.





	Pipeline Building Phase			
	INFORM	ATTRACT	TRAIN	RECRUIT
Payoff for Business	<15 years	<10 years	<5 years	Today
Compared to a typical lead generation process	Suspect - the target market Prospect - student has shown interest	Lead - likely involved in specific career education and work-based learning activities	Opportunity - likely involved in career training and work-based learning	Customer - an employee likely involved in continual upskilling
Age	10 and younger	Average 15	Average 20	Adult
Career Phases	Learning About Work	Learning Through Work	Learning At Work	Onboard
Typical work-based learning activities	Career Presentations Mentoring	Internships Pre-apprenticeships Project-based learning	Apprenticeship On-the-job training	Employment
	Worksite Tours			

The path to your door may be a winding journey for the student and job seeker. If you want to be a growing and sustainable business in a thriving community, then let us explore some of the trajectories people have been on before arriving at your door and how your involvement in pipeline building, in what may be new and different activities, could help new and diverse talent arrive at your doorstep. The illustration below was published in the 2014 Colorado Talent Pipeline Report to portray the wide variety of pathways a student and job seeker may take after high school.

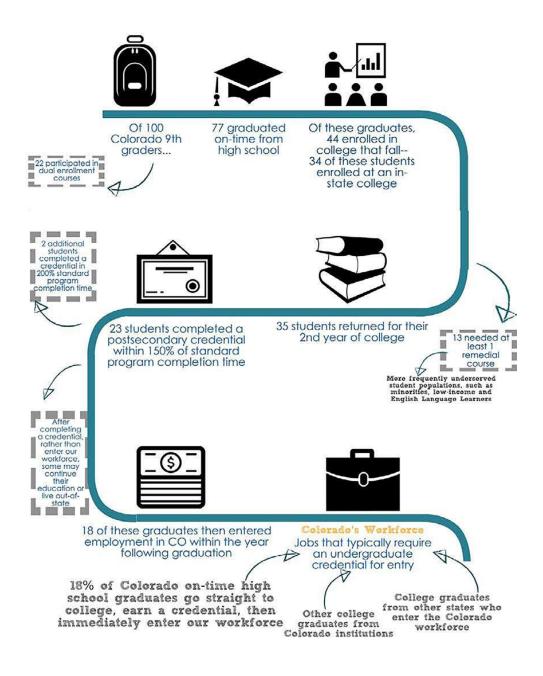
²⁷ Colorado Talent Pipeline Report. 2014. www.colorado.gov/pacific/cwdc/colorado-talent-pipeline-report





The Colorado

Our conventional concept of a talent pipeline is the progression of our high school graduates who enroll directly in college, complete a credential, then enter our workforce, as depicted below...



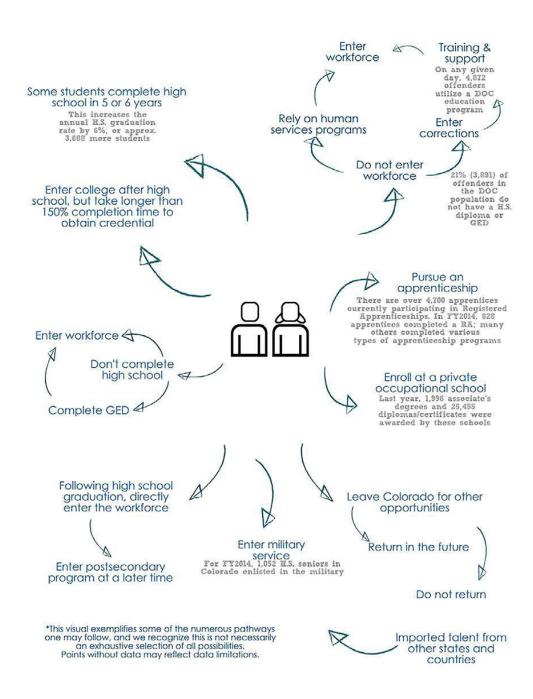




Talent Pipeline



...but it is also important to understand the numerous points of entry into education/training opportunities and/or our state's workforce.







Partnership Opportunities In Colorado

WHAT PROGRAMS SHOULD | PURSUE?

Colorado is deeply committed to having an inclusive and effective talent development ecosystem. Business leadership is paramount to this vision. There are three related yet unique ways for a business to partner to help build talent in Colorado. A business can support:

- 1. The shift to being competency-based
- 2. Career pathways systems building
- 3. Individual career pathway programs

Shift to Competency-Based

In Colorado, industry-driven, competency-based career pathways ensure that education, training, and workforce systems stay deeply attuned and responsive to the needs of the labor market to:

- Ensure businesses have access to an appropriately skilled talent pipeline
- Prepare students and workers with the skills and credentials they need for jobs and careers

What is Colorado's approach to being more competency-based? Colorado is facing a skills gap that, if unaddressed, will diminish the ability of the economy to grow and limit the upward mobility of individuals throughout the state. Shifting our talent development network to embrace a competency-based approach to hiring, education, and training has been identified as a key strategy to address this gap and keep Colorado's economy and its citizens moving forward. A competency-based approach is necessary because skills are the best predictor of a successful hiring outcome and competency-based models expand access to educational opportunities beyond high school.

"Companies should better define the skills they need, giving as much attention to developing and assuring the supply of human talent as they do to the rest of their supplier network." Skillful is leading the movement for businesses to shift to skills-based practices as a means to send a clear signal to seekers for middle-skill jobs that do not require a B.A. Launched in 2016 by the Markle Foundation, in partnership with the state of Colorado, Microsoft, and LinkedIn. Skillful helps employers, job seekers, and educators transition to this new labor market. "Building a skills-based labor market requires a commitment to being:

- Ecosystem focused
- Skilled-worker centric
- Evidence-based
- Partnerships oriented
- Technology enabled

²⁸ Rework America, The Markle Economic Future Initiative. America's Moment: Creating Opportunity in the Connected Age. W.W. Norton & Company, 2015. p 222.



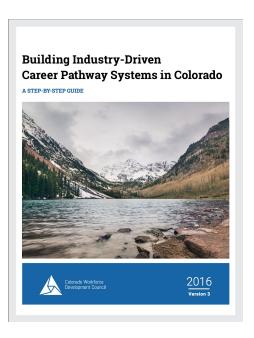


• Locally supported" 29

Career Pathways Systems

In Colorado, we operate a career pathways system. Our career pathway system aligns public partners and engages them in a continuous conversation that is led by industry to ensure that job seekers and students move seamlessly through and among support programs, educational institutions, training opportunities, and work-based experiences to build skills and credentials that meet industry demand and prepare them for jobs and careers. In Colorado, a sector partnership is an excellent vehicle for building industry-driven career pathway systems, providing a forum for productive and ongoing collaboration with industry and among partners such as workforce, education, training, and other community partners. In Colorado, the statewide career pathway system aligns career pathway programs and systems developed throughout high demand industries in each economic development region of the state.

There are eight steps to identify regional demand and then create supply to meet that demand. It is important to do all steps in order. It can take time to move from one step to the next.



- 1. Organize business through sector strategies or connect with an existing sector partnership
- 2. Organize a team of public partners
- 3. Identify critical occupations
- 4. Inventory relevant education, training, and workforce programs
- 5. Understand critical competencies required to effectively perform the job
- 6. Align, improve, and create career pathway programs that prepare students and job seekers with critical competencies
- 7. Create a picture of the career pathway and market it to all audiences
- 8. Continuous improvement

Career Pathway Programs and Experiential Learning

What's the difference between a career pathway system and a career pathway program? A career pathway program offers a clear sequence of stackable credits and credentials, combined with support services, which enables students and job-seekers to secure industry-relevant skills, certifications, and credentials and advance to higher levels of education and employment in high demand occupations. A career pathway system is made up of multiple career pathway programs that span educational institutions, workforce and support service partners. These programs are oriented around a shared understanding of the needs of industry. Often times, tools like

²⁹ Skillful State Playbook. Skillful A Markle Initiative, 2018. skillful.com/sites/default/files/playbook/Skillful State Playbook.pdf





career pathway maps are used to talk with students and job seekers about how they can progress through education and training experiences to obtain employment that meets his or her goals.

Effective career pathway work-based learning programs provide benefits to the employers who participate in these programs, where employers:

- "Have opportunities to nurture student interest in jobs and careers with their company and in their industry.
- Help future workers understand the education and skills they need to secure jobs and be successful employees.
- Advance their reputation in their communities as supporters of education, community leaders, and providers of good jobs.
- Form stronger partnerships with local schools and help ensure that the curriculum is supporting the development of essential skills.
- Provide their employees with valuable opportunities to serve as ambassadors for the company and to hone their public speaking, communications, and leadership skills.
- Improve employee retention by boosting employees' job satisfaction and sense of purpose.
- Have the opportunity to audition future potential applicants."

Morgan Community College hosted a summer robotics camp July 17-19 for 5th - 8th graders in partnership with NECOM and FIRST Robotics Team #4386, the Mecha-Maniacs. Participants learned about electricity, motors and biorobotics. Thirty-three students individually raced the robots they built during camp. When this camp was advertised, it filled up in 48 hours! Two robotics camps will be offered in Summer 2018. TRAINcation, a four-day boot camp where industry leaders provide fun activities that emphasize the essential skills in the workplace took place in Fort Morgan and Yuma. Each morning addressed a topic such as attendance, attitude, accountability, and ambition, and the afternoons were filled with a visit to a local manufacturer. Over thirty students participated in the event.

- Northeastern Colorado Manufacturer, NECOM

Colorado's labor market is evolving faster than ever, demanding a labor force with a flexible and continuous approach to developing and upgrading skills. Addressing the evolving needs of businesses and ensuring Coloradans have pathways to the middle class requires:

- Ongoing learning and skill development opportunities for individuals
- Building and leveraging cross-sector public-private relationships

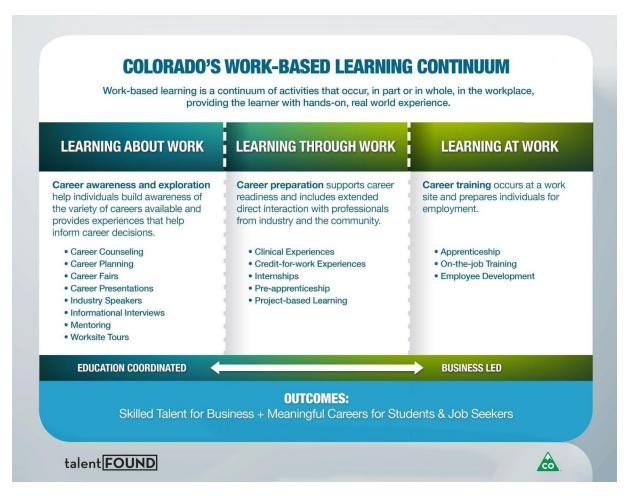
Work-Based Learning, An Employer's Guide. Change The Equation, 2016. changetheequation.org/sites/default/files/Guide%20to%20Work-based%20Learning.pdf





• Support for the education and training system in the development of stackable credentials aligned with the demands of industry

We know that one of the most effective ways to prepare individuals for jobs is to give them real-world experience. Work-based learning is a strategy that combines skill development with real-world training opportunities. Apprenticeships and other work-based learning activities create opportunities for youth and adults to develop the skills needed to succeed.



"The business community has a vested interest in providing meaningful experiences for students that better connect their education with the workforce." ³¹

The Continuum is designed to illustrate the variety of work-based learning activities that can be pursued, as well as the dynamics of which activities are housed primarily within educational entities and which are located on a

³¹ Learning to Work, Working to Learn. Strada and U.S. Chamber of Commerce Foundation 2017. www.uschamberfoundation.org/sites/default/files/Learning%20to%20Work%20Working%20to%20Learn.pdf





job site. As practitioners have begun utilizing this tool, it has brought clarity about the roles of different stakeholders and enhanced communication between the partners.

A common lexicon and roadmap for partners to work from is critical to successful work-based learning efforts because the most successful programs require a community working together. Businesses need to partner with educational entities to design and deliver curriculum, workforce centers have a pool of talent ready to connect to opportunities, and economic developers understand what industries need people and how to attract new companies through training programs.

The number of initiatives focused on accelerating the creation of work-based learning opportunities continues to grow. A few of the key initiatives underway in Colorado are highlighted below:

- CareerWise Colorado is a high school apprenticeship program that welcomed its inaugural cohort of students fall 2017, with 121 students apprenticing across 44 businesses in 13 industries.
- Registered Apprenticeships (RAs) through the USDOL Registered Apprentice System are working to expand the types of occupations and the number of opportunities in high-demand fields.
- In 2015, House Bill 15-1230 created the Innovative Industries Internships Workforce Development Program, now known as the Innovative Industries Internship Program, to incentivize employers in growing Colorado industries to increase paid internships and support a consistent and experienced talent pipeline.
- Denver Opportunity Youth Initiative, supported by the Denver Metro Chamber of Commerce, is aimed at providing education, career opportunities and support systems to opportunity youth by partnering with nonprofit, government and business organizations to create a pipeline to meaningful work experiences.

One of the big successes for the Greater Metro Denver Healthcare Partnership (GMDHP) this year has been the introduction and adoption of apprenticeships in healthcare. Throughout this last year, we have explored what it would take to adopt the apprenticeship model for certain occupations. Working within each corporate structure to introduce this workforce solution "Apprenticeships" has been quite challenging. Three hospital systems have been great champions. At Kaiser, a union environment was a little more receptive to adopting the concept for its medical lab technicians. They saw the need and implemented a program for four incumbent workers. At SCL Health, the concept of apprenticeships was widely accepted and they quickly began working on the details for an apprenticeship model for its entry level position of certified nurse aide. This model will be used for both internal and external recruiters. At Centura, the corporate structure was challenging. The need was apparent in several occupations because the demand far exceeded supply but making this happen internally was challenging. They are moving into developing a medical assistant apprenticeship which will be launched later this year. Because of this sector work, we will impact the future of apprenticeships in healthcare. - Greater Metro Denver Healthcare Partnership





Getting Started Checklist to Open Your Doors

The following outline provides suggested next steps for moving to action to help build the talent pipeline through partnering by *opening your doors*.

✓ Revisit your existing talent pipeline strategy. Do you: 32

- Promote from within
- Hire experienced workers
- Hire newly trained workers
- Hire people and then train them (e.g. apprenticeships)

✓ Businesses can provide both:

- Financial support
 - Charitable donations
 - o Paid volunteer time for employees
- Human support
 - o Contribute employee expertise to define needed competencies
 - Teach in the classroom
 - o Contribute employee time to be a mentor to a student or teacher

✓ Be a part of innovative talent development initiatives to spearhead the involvement of your company in advancing Colorado's talent development results

- Become an affiliate of TalentFOUND at talentfound.org.
- Adopt competency-based approaches:
 - Sign up to obtain training on competency-based hiring and receive a toolkit to help you put ideas into practice
 - Engage in dialogue about educational opportunities that can be competency based and partner with those programs to design work-based learning opportunities
 - Create more project and work-based learning opportunities in your organization
 - o Implement skills-based practices in your organization and community
- Support career pathway programs:
 - Help build a new pathway or refresh a stale pathway
 - Hire people from local pathways
- Create and offer work-based learning opportunities and invite others to partner

³² Tyszko, Jason A., Robert G. Sheets, and Joseph B. Fuller. Managing The Talent Pipeline: A New Approach to Closing the Skills Gap. U.S. Chamber of Commerce Foundation, Center for Education and Workforce, 2014. www.uschamberfoundation.org/sites/default/files/Managing%20the%20Talent%20Pipeline.pdf. p19.





In Summary

We encourage all businesses in Colorado to stand tall by not only working *in* your business but also *on* your business for collective economic opportunity and an inclusive talent development system.

The Art of Partnering

Imagine leading at a shared table surrounded by other businesses and a host of public partners that you may not have worked with yet. There is so much to learn. To help you get started, there is a suite of short videos to highlight how to best partner with the various players. The tips outlined in those videos are listed below:

Economic development

- Connect with your local economic development organization or the state office
- Join your state or regional industry trade organizations
- Join your local and/or regional chamber of commerce
- Join or help create a sector partnership

Workforce development

- Join a workforce development board or a committee
- Contact business service representatives who can offer your business the necessary services for your hiring needs
- Bring our expertise to your school to prepare individuals for summer jobs or engage in career exploration
- Open your company to worksite tours
- Discuss with us the problems you see in our community and be open to trying new ideas together
- Join or help create a sector partnership

Education K-12

- Articulate the problem, ask who the decision makers are, and invite them to be part of the discussion
- Start with your LOCAL school district
- Seek out your local BOCES (Boards of Cooperative Education and Services), education consortiums, and collaboratives
- Join with or help create regional sector partnerships, or invite us to your partnership

Postsecondary

• Join us in promoting the urgency of education beyond high school, the necessity of erasing equity gaps, and the importance of multiple pathways for students

³³ How to Partner Series. 2017. vimeo.com/cwdc





- Support and invest in postsecondary education and training
- Join us in promoting talent development in our great state
- Have honest conversations with postsecondary leaders in your community

Untapped talent

- Adopt a strengths-based mindset and be open to discussing the knowledge, skills, and abilities that we bring to the table
- Be flexible, with the understanding that relatively minor adjustments or accommodations can lead to much greater productivity
- Learn from our expertise on developing family-friendly policies that allow workers to stay engaged
- Share with us the competencies that you need most in your workplace, and give us an opportunity to demonstrate those competencies to you

Business Leadership Is Essential

Businesses are continually asked to engage in a wide variety of programs and initiatives, and many businesses support many of them. Often times, businesses position this support as employee retention or community give back. Businesses are giving money and their employees' time. When these types of business-sponsored efforts can be linked to a business competitiveness priority, the results can yield even greater economic opportunity for the business. When a group of businesses is partnering and organized collectively to support programs and initiatives, a greater scale can also be more easily achieved, compounding the results.

We invite you to be included among those bold and action-oriented companies that are making talent development better in Colorado. If your business is not already partnering, consider becoming a member of a sector partnership, workforce development board, or industry trade association and help make Colorado the best place to live and do business.

This guide is successful if it incentivizes a business to:

- Join a partnership and actively champion their business needs that will be best served through the collective action of a public-private partnership.
- Take a leadership role in a partnership and a collective business priority.
- Make it a priority to offer great jobs and ensure local pathways to those jobs.
- Commit to helping build Colorado's talent pipeline.

Through partnering, we improve the systems, communities, physical environment, social environment, or other elements of the world in which people live.

Let's all stand tall together.



