

**Background Paper:**

# Thriving Regions, Thriving California

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**Prepared for:**



**Discussion Category:**

- 1. Workforce Data & Outcomes
- 2. Curriculum & Instructors
- 3. Structured Career Pathways & Student Support
- 4. Funding
- 5. Regional Coordination

## THRIVING REGIONS, THRIVING CALIFORNIA

*This document was prepared for the Board of Governor's Task Force on Workforce, Job Creation, and a Strong Economy. It provides background information that serve as context to support the development of recommendations by the Task Force.*

### Regional Coordination – A Shared Benefit

California's 112 community colleges and 78 off-campus centers provide career technical education, basic skills, and transfer coursework to meet the diverse needs of local communities throughout our state. The strength of the community college system is its ties to the local community. However, students, employers, and the colleges themselves can also derive great value in organizing regionally to address a range of issues. At the 14 Regional College Conversations and 5 Strong Workforce Town Hall meetings, practitioners, employers, and workforce partners identified a number of practices that would benefit from a more regional approach.

- **Students** need access to work-based learning, jobs and careers and may need some combination of core training from their home college and specialized training from a neighboring college to prepare them for employment in their communities. Students may need portability in their coursework especially if they must attend more than one college to complete their degree or credential.
- **Employers** desire a more skilled workforce, and request a more coordinated approach from education and workforce entities wanting input into labor market needs, curriculum development, and participation on advisory committees. A coordinated approach to sector partnerships can ensure that their needs for specialized and core skills are met. Employers also have a variety of specialized skill needs that can necessitate a coordinated approach on delivery of these high-cost programs. While regionally scaled employers are often eager to partner with colleges to meet their workforce development needs, some strongly prefer to do so with multiple colleges at once, rather than college-by-college.
- **Colleges** see the advantages of common efforts for sharing and aggregating their buying power around the purchase of expensive CTE lab equipment, realizing economies of scale in curriculum and professional development, creating communities of practice among CTE faculty, engaging regional-scale employers through regional advisory committees, aligning curriculum around regional needs, and conducting public outreach on the value of early career exploration and of CTE options.

Regional partnerships that bring cross-college and government coordination are a promising strategy that can achieve better-aligned reforms. Partnerships manifest themselves in many ways and along a continuum of possible strategies such as:

- **Coordination** – sharing information and practices both across community colleges and with outside workforce stakeholders to respond to regional economic needs.
- **Collaboration** – joint planning and identification of regional objectives, partner roles/responsibilities, and outcome metrics for workforce and education offerings.
- **Integration** – braiding resources and staffing to achieve regional workforce objectives.
- **Consolidation** – restructuring resources and/or staffing to provide one-stop shopping for students and employers.

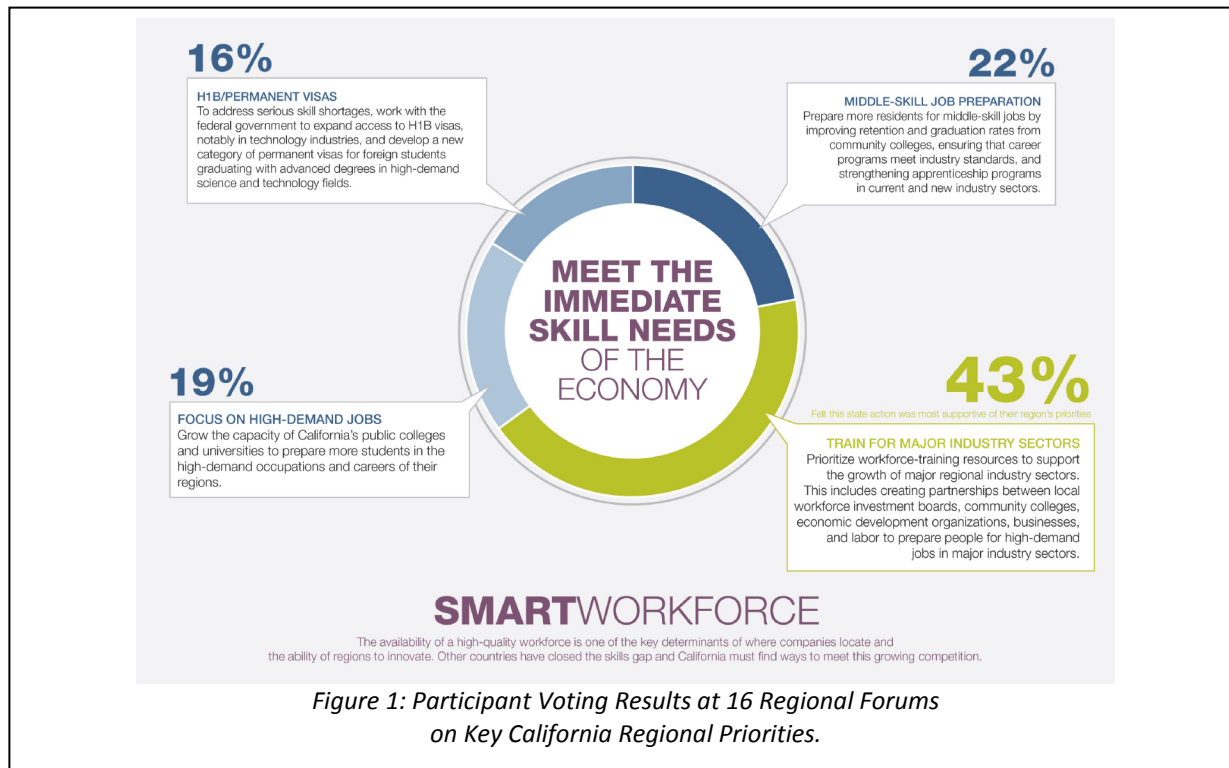
**REGIONS: AN ORGANIZING UNIT OF ACTION**

Economic and political forces have come together in recent years creating a shift toward regions as a unit of action. This has been driven by the size of California with some regions larger in size than other states, the diversity of our regional economies, and the recognition by economists of the competitive advantage provided by regional economic clusters. Now, both President Obama and Governor Brown have funded, or are proposing to fund (Sidebar 1), elements of workforce training programs that coordinate services regionally, reinforcing this policy approach.

<b>Sidebar 1</b>	
<b>Key Elements of Governor Brown’s Proposed 2015-16 Budget Workforce Education Goals</b>	<b>Key Elements of President Obama’s Proposed 2016 Job Workforce Training Program Goals</b>
<ul style="list-style-type: none"> <li>▪ Alignment of workforce programs through coordinated regional planning efforts that are highly responsive to labor market demands and focuses on current or emerging high-wage, high-skill, or high-demand jobs.</li> <li>▪ Meaningful employer engagement in the workforce development system, including partnering in apprenticeship programs, earn-and-learn programs, on-the-job training, and subsidized employment opportunities.</li> <li>▪ Adoption of common performance measures aligned among workforce development programs, adult education and literacy programs.</li> <li>▪ Creation of career pathway programs that lead to post-secondary education and careers.</li> <li>▪ Attainment of industry-valued certificates and degrees.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increased access to education, training and employment. Regional alignment of workforce investment, education and economic development programs to support strong regional economies.</li> <li>▪ Improved quality and labor market relevance of workforce investment, education and economic development efforts.</li> <li>▪ Evidence-based job training programs for skilled jobs in high-demand fields that provide a path to the middle class for low-income individuals.</li> <li>▪ Data systems to drive the measurement, evaluation and continuous improvement of workforce programs.</li> </ul> <p style="text-align: right;"><i>Source: Department of Labor, FY 2016 Congressional Budget and WIOA Vision Briefing.</i></p>
<p><i>Source: Governor’s Budget Summary (2015-16), p. 47.</i></p>	

## Regions Self-Select to Focus on Workforce

Spurred by the Great Recession, the California Economic Summit formed and drew attention to how regions work to generate jobs and improve economic competitiveness. The Summit held sixteen listening forums across the state, all hosted by regional entities. Workforce training and



investment emerged as the top priority issue-in-common across all regions (Figure 1).<sup>1</sup> The California Community Colleges Chancellor's Office is now an active participant in these efforts to develop capacity within the workforce education and training system to meet regional economic needs.

## Regions Becoming an Organizing Principle

The California Workforce Investment Board's (CWIB) current strategic 5-year plan, "Shared Strategy for a Shared Prosperity (2013-2017)," brings multiple state agencies together and incorporates the region as an organizing principle. In formulating its implementation of the newly passed federal Workforce Innovation and Opportunity Act (WIOA), the CWIB is now working with state agencies including the California Community Colleges, Department of Labor, Department of Education, Employment Development Department, Department of Rehabilitation, Employment Training Panel, Department of Social Services and others, on WIOA in California. WIOA requires regional strategic planning to coordinate workforce and education services funded with federal dollars in order to better align investment decisions and service

<sup>1</sup> California Economic Summit 2014. A Year of Action: The Summit Plan to Advanced Prosperity in 2014. <http://www.caeconomy.org/resources/entry/summit-plan-to-advance-prosperity-in-2014>

delivery strategies with regional labor market needs. State workforce partners have recently adopted common program strategies to leverage resources along regional and industry sector lines. (Exhibit 2)

<p style="text-align: center;">Exhibit 2</p> <h1 style="text-align: center;">WIOA Program Strategies</h1> <p style="text-align: center;">California Workforce Investment Board (CWIB) April 21, 2015</p>	<p style="text-align: center;"><b>Partnering In Sector Strategies</b></p> <ul style="list-style-type: none"> <li>• Organizing Industry To Strategize/Address Common Workforce Needs</li> <li>• Organizing Workforce/Education Professionals To Provide Training And Education To Meet Industry Needs</li> <li>• Developing A Plan To Connect Job Seekers With Relevant Skillsets To Industries That Are Hiring</li> </ul> <p><b>Purpose: Ensure Training Program Are Relevant To The Economy</b></p>
<p style="text-align: center;"><b>Building Career Pathways</b></p> <ul style="list-style-type: none"> <li>• Progressive Skills Development</li> <li>• Each Level Of Development Has Earnings Impact (Stackable Credentials)</li> <li>• Multiple Entry And Exit Points (On And Off Ramps)</li> </ul> <p><b>Purpose: Access, Flexibility, Facilitated Navigation Of Training And Education Programs</b></p>	<p style="text-align: center;"><b>Utilizing “Earn-and-Learn”</b></p> <ul style="list-style-type: none"> <li>• Paid Work While Learning Skills</li> <li>• Apprenticeships</li> <li>• On-the-job Training (OJT)</li> <li>• Subsidized/Transitional Employment</li> <li>• Paid Internships</li> </ul> <p><b>Purpose: Simultaneous Access To Income And Training For Those Who Cannot Afford Full Time Education</b></p>
<p style="text-align: center;"><b>Organizing Regionally</b></p> <ul style="list-style-type: none"> <li>• Value-added Partnerships (Both Sides Gain)</li> <li>• Partnerships Based On Program Specialization/Core Competencies</li> </ul> <p><b>Purpose: Economies Of Scale, Gains To Exchange, Labor Markets Are Regional, Industry Is Organized Regionally</b></p>	<p style="text-align: center;"><b>Providing Supportive Services</b></p> <ul style="list-style-type: none"> <li>• Removing Barriers</li> <li>• Subsidized Childcare &amp; Transportation</li> <li>• Assistive Technology</li> <li>• Reasonable Accommodation</li> <li>• Books, Uniforms, Equipment</li> <li>• Counseling</li> <li>• Tutoring/Mentoring</li> </ul> <p><b>Purpose: Removing Barriers To Program Completion And Employment</b></p>
<p style="text-align: center;"><b>Creating Cross-System Data Capacity</b></p> <ul style="list-style-type: none"> <li>• Diagnostic Data To Understand Labor Markets</li> <li>• Research Data To Know What Works</li> <li>• Performance Data To Ensure Success And Foster Accountability</li> </ul> <p><b>Purpose: Effective Use Of Resources</b></p>	<p style="text-align: center;"><b>Integrating Service Delivery &amp; Braiding Resources</b></p> <ul style="list-style-type: none"> <li>• Each Partner Has Something To Contribute</li> <li>• Everyone Has Limited Resources</li> <li>• We Share Common Goals</li> </ul> <p><b>Purpose: Optimize Limited Resources And Make Use Of Program Specialization To Better Serve Individuals</b></p>

## Current Status of Chancellor’s Office Efforts

Regional coordination is a key component of legislatively authorized programs administered by the Chancellor’s Office Workforce and Economic Development Division and by the California Department of Education. Sidebar 2 lists these programs.

**Sidebar 2**  
**California Programs that Emphasize Regions as an Organizing Unit**

**Administered by the California Community Colleges**

- SB 1402 (Lieu) - Reauthorized the Economic and Workforce Development (EWD) program to emphasize workforce education, training, and services in priority and emergent sectors in regional economies.
- SB 1070 (Steinberg) - Reauthorized Career Technical Education Pathways program and added language to better align high school CTE programs and community college pathways with needs and opportunities in their regional economies.
- AB 86 (Lieu) - Provided in adult planning grants to regional adult education consortia to document existing services, identify unmet needs, and develop plans to improve adult education.

**Administered by the California Department of Education**

- California Career Pathways Trust (Steinberg) - Created competitively funded K-14 consortia approaches to career pathways that included labor market information and encouraged alignment with community colleges.

*Doing What Matters for Jobs and the Economy* (DWM) was created in 2012 to guide the implementation of a series of legislative and budget initiatives with a regional focus. This framework focuses incentive investments in three areas: *sectors, regions, and technical assistance* in support of colleges to deliver workforce outcomes in sectors that drive regional economies.

Chancellor’s Office grants, braided through a variety of sources, fund an infrastructure for facilitating regional coordination that consists of the following components:

**CTE Regional Consortia:** The CTE Regional Consortia was originally created in 1994 to review CTE curriculum before it was sent to the CCCCCO for approval. The focus of the Regional Consortia was to avoid unnecessary duplication of programs that might oversupply labor markets or create unnecessary competition with existing programs. While some attention was paid to responding to regional labor market needs, this was not the primary mission of the regional consortia.

Energized under DWM, the scope of the CTE Regional Consortia was broadened to become facilitators of regional conversations on how colleges could better serve their local districts by joining together to better serve their regional

economies.

The CTE Regional Consortia work with the colleges and workforce partners in their region to address the following questions:

1) *What are the top priority and emergent sectors of your economic region?*

*2) How should finite regional CTE funds be best invested to meet regional labor market needs?*

*3) How can colleges within a region coordinate efforts to respond to state, national, and foundation-funded grants?*

The CTE Regional Consortia has evolved and strengthened to enable regionally based planning and decision-making. These decisions inform and guide the Chancellor's Office deployment of resources. The Labor Market Research Centers of Excellence and the Deputy Sector Navigators are increasingly utilized to inform and shape college efforts to align their CTE programs with regional economies, and the Regional Consortia assists Deputy Sector Navigators to connect college programs and faculty with industry needs. Two-way communication channels are now better established between the Regional Consortia, campus CTE Deans, and campus Chief Executive Officers. Increasingly, due to increased state investment and attention on workforce, campus Chief Instructional Officers have become more engaged in regional conversations focused on workforce. Campus CEOs and Chief Instructional Officers are critical decision makers who determine how campuses locally invest resources/faculty hirings/staffing/budgets/programs to make it possible for students to pathway into a career opportunity.

**Deputy Sector Navigators:** Deputy Sector Navigators (DSNs) are designated to work in specific industry sectors in each region in response to employers' preferences to work with specialists who understand their industry specific needs. The Chancellor's Office fund these regional specialists to help employers navigate the complex network of community colleges and to help community college faculty strengthen their ties to industry. DSNs are matched with the priority and emergent sectors selected by the region. While they have no formal authority on a local campus, DSNs often come with both industry and community college experience that help faculty and CTE deans align their work with the labor market. DSNs assist in understanding sector-specific labor market data, convening employers to advise on the alignment of curriculum with workplace needs, coordinating faculty professional development opportunities, conducting outreach to high school counselors and partners to generate awareness for the sector and its occupations, and serving as a single point of contact for sector work when relating to local workforce investment boards and other workforce partners.

DSNs cover the following industry sectors currently:

- Advanced Transportation and Renewable Energy
- Advanced Manufacturing
- Agriculture, Water & Environmental Technologies
- Energy and Utilities (soon to be 'Energy and Construction')
- Health
- Information and Communications Technology/Digital Media
- Life Sciences and Biotechnology

- Retail, Hospitality and Tourism
- Global Trade and Logistics, and
- Small Business.

**Labor Market Research Centers of Excellence:** Aligning to workforce needs presumes an understanding of skill gaps in the labor market. Under DWM, the Chancellor’s Office paired a regional labor market research specialist to work with the colleges in the region. These specialists conduct primary and secondary labor market research and work with CTE Deans, CTE Regional Consortia, Deputy Sector Navigators, and colleges to anticipate and answer specific requests for information.

**LaunchBoard Data Tools for CTE Practitioners:** The Launchboard was developed to give college practitioners both a college-level and a more regional view for program planning and reporting. The Launchboard, which was rolled out to all 112 community colleges in 2014, has begun automating data collection for many workforce-related outcomes. With data visualization options for college practitioners, this tool along with the Student Success Scorecard and Salary Surfer, help tie outcomes and accountability to both college and regional decision-making on workforce supply and demand as well as skill gaps. In addition to being utilized by all 112 community colleges, the LaunchBoard is the data collection engine behind many of the California Department of Education’s California Career Pathway Trust grants.

**CTE Enhancement Fund:** The Governor’s 2014-15 budget provided a one-time \$50 million investment in a CTE Enhancement Fund to develop, enhance, retool and expand quality career technical education offerings that build upon existing community college regional capacity to respond to regional labor market needs. The funds were divided into a 60 percent local share that went directly to colleges and a 40 percent regional share that member colleges within each region could collectively direct towards regional capacity-building efforts. The local share was primarily allocated towards the purchase of new CTE equipment and upgrades to curriculum. Prior to the deployment of the local funds, the CTE Regional Consortia organized a “labor market research blitz” with data from the Labor Market Research Centers of Excellence and Deputy Sector Navigators to inform colleges on labor market skills gaps in the region. This data grounded the campus decisions on

**Sidebar 3: San Diego/Imperial targets CTE Enhancement Fund towards projects that move forward their region**

Colleges were challenged to identify shared strategies that could best move the region forward to meet its workforce needs. As an example, the San Diego/Imperial Region’s nine community colleges voted collectively to focus on student outcomes and employment through four regional investments:

- Collection of CTE Student Employment Outcomes Survey Data – as a way to improve students outcomes, assess program viability and inform local employers/industry advisory committees.
- Regional Industry Certification Center – to improve job placement and advancements for students and incumbent workers in the region.
- Regional Occupational Soft Skills Support – to develop a regional occupational soft skills infrastructure to build capacity at colleges for the infusion of occupational soft skills into CTE program curriculum.
- College Career Development Services – to increase connection between employers and students through college career development services.



how to use program dollars. The 40 percent share of the funds went towards catalyzing partnerships between colleges within each region to develop and support efforts to meet the workforce development needs within their region. See sidebar 3 for an example of how one region – the nine community colleges of the San Diego/Imperial region - invested their 40 percent regional share.

### **Ways to Improve Upon Regional Efforts**

In recent years California’s workforce system has moved towards a more regional approach. This movement flows from both the state to the region and the local level to the region depending on the specific initiative. State and federally- funded grants have moved towards requiring regional planning and delivery approaches as a condition of funding. Local workforce partners have begun to coordinate and collaborate in various ways and even have begun to see the value of integration in meeting the workforce needs of their regions.

The following policy levers could enhance efforts for further regional alignment:

- 1) Identifying the appropriate activities to be done regionally – activities for which there are financial, student success and other incentives because of cost-effectiveness, stronger employer partnerships, more rapid dissemination and adoption of effective and other value-added practices.
- 2) Creating the *enabling* structures and processes to support the development and delivery of regional efforts.
- 3) Providing a stable funding source to support a regional infrastructure and staffing responsible for the convening the coordination/collaboration/integration functions necessary to do this work.

### **Ways to Increase Shared Investment and Effective Braiding of Resources within a Region**

Employers and workforce partners at the Strong Workforce Town Halls voiced support for increasing shared investments of resources among workforce partners to support partnerships among colleges to build regional workforce capacity. Furthermore, Task Force deliberations indicated contract education is a way to be more immediately responsive to the needs of businesses and labor. Currently, contract education is defined as education or training paid for by a business or organization with enrollment restricted to individuals approved by a paying client.

Below are three cases that capture the opportunities for meeting the needs of students, partners and colleges by braiding resources, expanding opportunities for additional enrollment and coordinating activities across multiple colleges. While colleges will continue to meet the contract education needs of employers locally, the enabling processes needed to optimize shared investment at the regional level are two-fold: 1) a mechanism for contract education at

the regional level that allows 2) partners to fund cohorts and “mini-cohorts” across multiple campuses along career pathways and workforce training including courses/programs/certificates. Contract education currently allows partners to cover the cost of a full cohort, whether for-credit or not-for-credit. There is no simple mechanism for partners to support mini-cohorts (i.e., a fraction of enrollments in a class) of students/workers who need for-credit coursework.

#### Case Study 1: Barriers to Braiding Employer Funds

*Greater shared investment is made possible if the community college system can simplify contracting, billing and coordination for ‘contract education’ training across multiple colleges. The SEIU United Healthcare Workers - West & Joint Employer Education fund (SEIU-UHW Ed Fund) is a joint labor-management training trust fund. Employers pay into the trust to underwrite the skills building of their 150,000 employees across the state. The SEIU-UHW Ed Fund provides extensive student support services (e.g., tutoring, case management, etc.) to its members and underwrites their training. The Ed Fund has found that when they group their students in cohorts/mini-cohorts with wrap-around services, the student outcomes are better. They have the funds and wish to work regionally with community colleges, yet there is no clear mechanism to do so. The SEIU-UHW seeks a community college structure, which allows them to contract regionally for cohorts and mini-cohorts. Current interpretation of contract education practices limits SEIU-UHW to funding only a full cohort at each college that they work with, but they rarely have the student density to fill the enrollments of whole classes. They would like to fund mini-cohorts across multiple colleges as their form of shared investment.*

#### Case Study 2: Barriers to Braiding State Funds that Serve Rural Regions

*The Employment Training Panel (ETP), funded through the Employment Training Tax, which is levied on employers who participate in the Unemployment Insurance system, is a state agency that provides funding to offset training costs for upskilling new and existing workers in California. ETP contracts directly with a number of community colleges, primarily via contract education, to upskill incumbent workers across a wide range of industries. ETP is currently developing a Mega-Multiple Employer Contract program to better serve rural areas and their small business training needs. Rural cohorts rarely have the volume to buy out an entire community college class. Under this new program, ETP would like to contract with a lead college to procure training seats at scale, and have the lead college to subcontract for mini-cohorts across a range of colleges in order to meet a regional training need. ETP anticipates Fiscal Year 2015/16 funding at \$90M, of which approximately \$20 million will be allocated for this new program aimed at addressing small business training needs.*

#### Case Study 3: Barriers to Braiding Federal Funds

*California’s system of 49 federally-funded Local Workforce Investment Boards (LWIBs) are required by state law to spend 25 % of their funding on job-driven training. The new federal WIOA now places greater emphasis on regional coordination. Rather than having multiple contracts with individual colleges, a more efficient shared investment mechanism would be to allow for regional contracting between LWIBs and multiple colleges. The California Workforce Association, the trade association for these 49 LWIBs, is interested in this as a way to train more members of underserved communities, and believes this mechanism better braids resources of the two systems.*

## Response to Recommendations from Regional College Conversations and Employer Town Halls

In order to support the development of enabling structures, processes, and capacity to coordinate regional level common efforts, possible actions include:

- **Aligning Employer Engagement by Sector** - Employers request that community college and other workforce/education providers be coordinated. Employers want to engage regionally and by sector (as opposed to one-by-one) to anticipate labor market trends, build career pathways, determine specializations, inform faculty of changing job requirements, validate skill competencies, create work-based learning for students, promote joint investment in and sharing of resources, and outreach to employers and students. This is the role and responsibility of the Deputy Sector Navigator. To improve their effectiveness, Deputy Sector Navigators need to more deeply integrated with colleges and their faculty, other workforce/education providers, and employers as critical to delivering on regional sector strategies. Especially in rural areas, Deputy Sector Navigators can staff the establishment of regional industry councils that small colleges and small employers would otherwise lack the capacity to undertake on their own.
- **Providing Timely and Accessible Labor Market Information** – Workforce supply, demand, and skills gap research can be more effectively and efficiently done at the regional level to help inform college programming. The role of the Labor Market Research Centers of Excellence is to conduct this research and to interpret data for use by campuses in the region, enabling colleges to adjust their CTE portfolios in ways that strengthen their ability to serve local and regional labor market needs and over time build a more comprehensive regional CTE portfolio. The Centers of Excellence should be tasked to help each region look ahead at emerging needs, shaping regionally coordinated investments in new programs/course/curricula/curriculum model (CTE C-IDs).
- **Sharing of CTE Best Practices** - The CTE Regional Consortia can be used as an organizing hub for improving institutional effectiveness in the field. Convening CTE faculty/deans within a program area from across the region in a series of facilitated conversations has already proven an effective way for enabling alignment of curriculum, providing professional development, disseminating best practices, engaging regional scale employers, and incubating new ideas for sharing resources. There are other common activities that colleges may wish to handle at the regional level, such as organizing externship opportunities for CTE faculty to keep their skills current, coordinating administrative support for program development and reciprocity, incentivizing college-to-college collaboration crucial to achieving scale (especially among small colleges), etc.

- **Setting Goals** - Regions are better equipped to set workforce goals than the State. Goal setting necessitates an understanding the region's workforce gap, creating a list of industry-valued credentials that closes upon the gap, and developing production goals for the purpose of capacity planning and targeted investment.
- **Improving Public Outreach and Program Marketing**– Promoting the value of CTE could be effectively delivered regionally to respond to the specific needs of local/regional employers. The Chancellor's Office could provide basic guidance and outreach toolkits for regional customization and delivery.
- **Braiding Resources via Regionalized Contract Education** - Creating a mechanism for regional contract education can increase shared investment towards regional workforce goals of closing the gap in 1 million more industry valued-credentials.