

OREGON TALENT COUNCIL

2017-19 OPERATING STRATEGY

*****DISCUSSION DRAFT*****

INTRODUCTION

The Oregon Talent Council (Council) was established by the Oregon Legislature in 2015 to be a central voice for shaping Oregon’s talent. The Council is housed and funded within the Oregon Employment Department.

The voting members of the Council are business leaders from Oregon’s high growth and high impact industries. Ex Officio members to the Council include representatives from state agencies and councils engaged in talent development including the Employment Department (OED), Higher Education Coordinating Commission (HECC), Science, Technology, Engineering and Mathematics (STEM) Investment Council, Oregon Workforce Investment Board (OWIB) and Business Oregon Commission. The Talent Council brings together public and private sector resources to *make Oregonians the first and best choice of Oregon Employers*.

The fundamental goals of the Council are to:

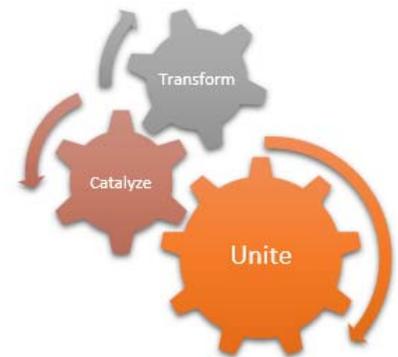
- Raise awareness about the importance of talent to our economy and communities, and
- Create solution-based partnerships that push for innovative and high impact models of delivering education and training to new and existing workers.

The Talent Council has three clearly defined actions:

Unite industry, education, workforce and government partners around the need for a robust talent environment and a set of shared talent priorities.

Catalyze models that serve as a talent laboratory, leading by example with agile, cost-effective, scalable ways to deliver talent.

Transform and reshape the way we think about and connect resources that support key talent needs.



2015-2016 ACTIVITIES

During its first few months, the Council developed an initial Oregon Talent Plan – a living document that is intended to be continually refined through partner input and evaluation of the Council’s investments. The Talent Plan proved to be an invaluable reference tool that inspired conversations with a variety of industry, education and workforce partners.

In 2016, the Council made XX investments totaling \$XXXXX with an average investment of \$XXXX. These investments were made in two rounds: 1) a competitive grant process to higher education to bridge funding provided by the program that preceded the Council, and 2) competitive grants and directed projects to a broader array of industry, education and workforce organizations to pilot and scale

innovative models. It is the later process that provides the framework for how the Council will continue its investments.

Council members and staff established relationships with industry, workforce and education organizations to develop a shared agenda for addressing targeted talent needs and to identify and leverage resources to optimize the impact of various efforts. We discovered a rather disjointed system between education and industry and little attention to helping existing workers remain employable. These findings helped to solidify our role as a voice and broker for demand-based talent.

Along with being a voice for how the state develops and maintains talent, our initial work also helped us to hone in our investment niche. To address talent, we need a “**More, Better, Faster**” system (see Appendix for a description). Our higher education and STEM/CTE partners are taking the lead on developing a pipeline of *more* new workers into the labor pool. This leaves a gap, and a role for the Council to focus on the *better* (current level of skills) and *faster* (agile and flexible delivery infrastructure) elements.

MOVING FORWARD – BUILDING ON LESSONS LEARNED AND FOCUSING ON IMPACT

Our efforts moving forward will focus on the professional and technical jobs Oregon will need in the next 3-10 years that will make key industries more competitive.

We start from the position that the vast **majority of workers needed in 2025 are ALREADY in the workforce**, with most openings requiring people with experience. And with changing technology, their **skills constantly need to be refreshed**. At the same time, students and new graduates are facing a similar need to rapidly learn current technologies and business applications.

These data points suggest a significant focus on existing workers in parallel with the development of a longer-term pipeline of new graduates; along with a focus on new delivery models that keep pace with skill changes.

The data and insights gleaned from the Talent Plan and ongoing conversations with employers and industry partners lead us to four areas of focus.

- **Attention to upgrading and retooling**

Given the high need for incumbent worker training and rapid advancement of technology, agile training models to retool and upgrade skills are needed now more than ever. In addition, a significant number of mission critical jobs are held by baby boomers nearing retirement, increasing the risk that essential institutional knowledge may be lost without structured ways to capture it. By investing in models that help groups of employers cost-effectively retool skills, we can not only assist existing employees, we can help higher education adapt rapid deployment models as well. [This strategy addresses both *better* and *faster*.]

- **Focusing on skills rather than specific occupations**

Vacancy surveys from employers indicate that for most jobs it is the skill level more than the quantity of applicants that is an issue. This is especially true for positions requiring experience. While the Talent Plan defined mission critical and high demand occupations, it also highlighted that most of these occupations **share similar skill gaps**. Conversations with industry further confirmed that many critical skills cut across multiple occupations. This has led us to the

conclusion that there is more impact to employers and workers if the Council focuses on addressing common skill gaps rather than on specific occupations. [A strategy focused on *better*.]

These findings seem to indicate that until immediate skill gaps are addressed, an accurate supply gap assessment will be difficult to conduct.

- **Investments in models and platforms**

With changing technology causing continuous skill gaps across occupations for both existing and new workers, it is essential that we have agile and scalable delivery models — what might be referred to as infrastructure. Focusing only on the content of training or curriculum for education is not enough. To reach rural parts of the state and to increase the speed by which students and workers can receive training, there must be simultaneous investments in the delivery system itself. [This strategy addresses *faster*.]

“Hot” occupations will come and go, however the systems and infrastructure to help talent to retool their skill set will be long-lasting and provide a high ROI.

- **Measuring impact**

With the definition of talent as the combination of education credentials, applied skills and industry experience, the Council recognizes there are few metrics that measure this valuable connection between education and jobs, especially as it impacts the economy and incomes of Oregonians. Without appropriate metrics, it is difficult to have meaningful dialogues around solutions and to make necessary changes to funding allocations or talent policies.

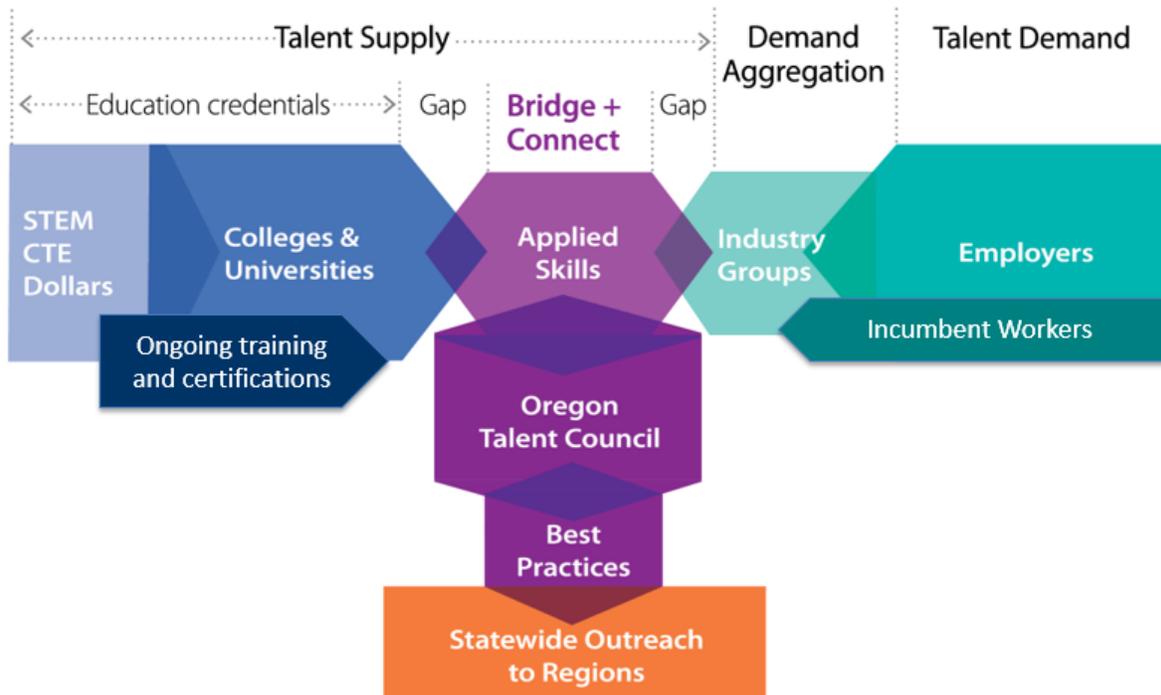
The Talent Council must develop sound impact and ROI metrics that can be utilized across the system.

We have learned that it is difficult to determine supply gaps since there are many moving parts. New graduates from higher education account for only a small fraction of workers, and many leave the state, so information on degree completion provides limited value. The existing pool of workers and immigration of new residents account for the vast majority of the talent pool, yet there is constant churn among jobs making it difficult to determine a supply gap from a job change.

2017-2019 OBJECTIVES AND OPERATING PLAN

Talented people and smart companies both seek out opportunities to grow. They will stay in and flock to geographic regions that provide ample chances to do so. If people are developing more rapidly than they could anywhere else, why would they leave a region?

The Council's role in uniting partners and transforming the resources around talent is shown below.



The Council's role as bridge and facilitator between industry and the array of education and workforce partners requires good information, a compelling story, and investment to pilot promising practices.

This Operating Strategy outlines the Council's work in two parts: being a **voice for talent** and being a **strategic investor**.

PART I: A VOICE FOR TALENT

To carry out the goal of being a recognized voice for talent, the Council will focus on three key objectives:

1. **Build the Case for Talent:** Getting the word out that talent is an economic driver and an investment, not an expense.

2. **Measuring impact and celebrating success:** Promoting outcome-oriented talent metrics that demonstrate the economic ROI and raising awareness about programs that achieve these desired outcomes.
3. **Influence the allocation of resources:** Working with higher education and workforce partners to help focus resources on critical occupational clusters and cost-effective, responsive training models. [it is as much about the “how” as it is about the “what”]

BUILD THE CASE FOR TALENT – GROWTH OF TALENT CREATES A SELF-REINFORCING CYCLE AND MORE OPPORTUNITIES FOR GROWTH

Objective: Developing consistent, clear messaging around the importance of Talent.

- Primary Audiences: business leadership, the media, the legislature, the public
- Key messaging:
 1. Talent is a critical driver of economic growth
 2. Time is now - gap is widening
 3. Solutions require collaboration and targeted funding
 - Need for two-pronged approach: short and intermediate term industry-based initiatives that complement the longer-term pipeline of new workers from higher education
 - Council role is to be the bridge and catalyst for industry-based efforts
- Primary Collaborators: industry associations
- Secondary Collaborators: education and workforce partners

Core Activities:

- Talent Plan: The base/primary document for Council that includes key economic and technology trends affecting talent, data and information of key occupational clusters and skills, and recommendations for addressing key gaps.
 1. Aggressively distribute, promote and evangelize the plan through presentations, press releases, webinars and web.
 2. Work with key partners to examine the impact of the Plan’s findings on current programs and develop ways to address targeted needs.
 3. Present to legislature and provide regular updates.
- Create and distribute a “Tech Town” type video
- Publish opinion pieces about national talent development trends and their impact on Oregon; Op-ed and guest columnist pieces (e.g. co-written by an Council member and Industry Association Director)
- Promote and publish the lessons learned and PR updates and new information as it developed.

MEASURING IMPACT AND CELEBRATING SUCCESS

Were the long-term goals met? Were the established timelines met?

Were the programs successful in building the bench strength needed for the state’s growth?

It is important that the answers to these questions be compiled, analyzed and reported. The answers to these questions will ultimately make the business case for the value of continued investment in the development Oregon’s graduating and incumbent talent.

Objective: Develop clear ways of measuring the impact of talent development and communicating results to raise the bar about what’s needed to obtain a skilled talent pool.

- Primary Audiences: business leadership, the media, the legislature, the public
- Key Messaging:
 1. Measuring talent outcomes enables the state to bridge education and economic priorities
 2. There is no *one size fits all* solution; measuring what models work best for different talent situations allow us to better target limited resources
 3. Oregon has the capacity for collaborative and innovative approaches
- Collaborators: industry associations, OED and education partners

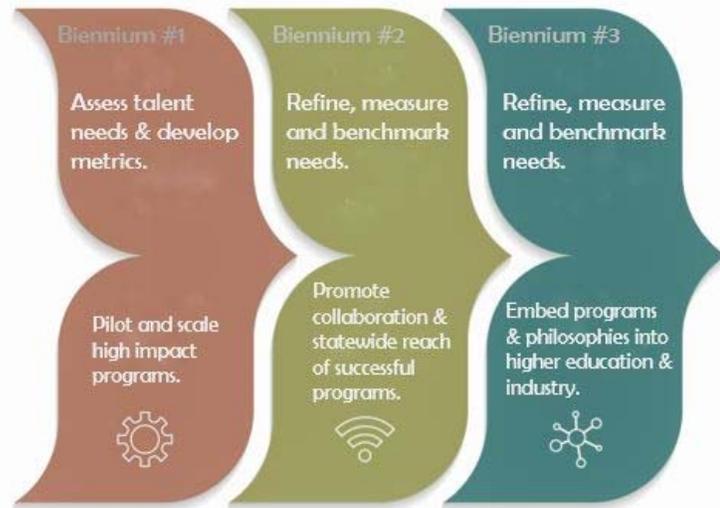
Core Activities:

- Talent Index: simple, infographic format that benchmarks Oregon against national and competitor states
- Biennial Report “Building Oregon’s Future: Talent Innovations with Impact” highlighting high impact programs and partnerships that deliver on the promise of demonstrated results
- Spotlight on Success: news and social media initiatives about Council and partner activities, releases of talent-focused reports, award winning Oregon programs, etc.

INFLUENCING THE ALLOCATION OF STATE AND LOCAL RESOURCES

To maximize the benefits of our investments, the Council views its work as a set of related efforts that over a period of multiple bienniums will create systematic change by investing in pilots, scaling what works, and then influencing the policies and allocation of resources to embed successful models throughout the state.

Objective: Use the Council’s research and investment results to influence the allocation of resources and embed best practices in higher education and industry.



- Primary Audiences: state agencies and workforce and education partners
- Key Messaging:
 1. There is a strong need to keep existing workers up to speed alongside our investments in new graduates.
 2. New models of education and training can be cost-effectively used across occupations and be a competitive advantage for Oregon.
 3. We can no longer afford duplication of efforts; by collaborating and sharing best practices all institutions in Oregon benefit.

Core Activities:

- **Host best practices forums with education and training providers:** Bring together public and private organizations to share successful models to encourage adoption of best practices across industries and regions. Use the results of these forums as real-life examples to help enhance state policies and resources, especially with the key partners as described below.
- **Work with the HECC** to increase their influence on degree programs and funding allocations. For example:
 1. Work to include Talent Plan priorities into HECC's requirements for new and expanded degree programs.
 2. Convene a collaborative work session on measuring ROI and impact to help bridge the work of the two organizations.
- **Work with the OWIB and local workforce boards** that share targeted industries with the Council to address common priorities. For example:
 1. Target key middle-skill jobs to upgrade skills of existing workers and train new entrants.
 2. Help to support on-demand and competency based training for applied skills that are needed across occupations.
 3. Work with the OWIB on policy issues that support Council priorities, especially resources for incumbent worker training.

PART II: INVESTMENT OBJECTIVES AND STRATEGY

There are a number of programs and agencies addressing talent from various perspectives; each with a different emphasis or objective. By understanding the role of various players, the Council can focus its limited investment on areas with strategic gaps. To date, the Council has learned:

- Higher education plays a clear and distinct role in helping to build a pipeline of new workers, yet its business model limits the ability to rapidly adjust to new occupations or skill sets.
- Most workforce partners and programs focus on entry-to-middle skill jobs and assisting un- and underemployed individuals; few resources are dedicated to improving incumbent worker skills.
- The STEM Investment Council and related STEM programs are long-term (and much needed) foundation programs for enhancing interest in targeted professional and technical jobs.
- Recent enhancements in Career Technical Education (CTE) is helping to reestablish much need vocational-based training, yet the capacity of CTE programs is still limited.
- Several industry associations are beginning to aggregate demand for short-term training to respond to changing skill requirements, however, seed money to help launch these programs is severely limited.
- While community colleges and others are developing pockets of shared programming that is delivered using a mix of technologies, rural areas of the state continue to struggle with adequate access to education and training.
- Work-based training models, including apprenticeships, provide cost-effective education with strong applied skills where students can earn income while learning, and companies can benefit from their work. These models, however, are not well understood by industry and under-utilized by educational institutions.

These conditions point to a gap in 1) short-term, rapidly deployed training models especially for incumbent workers (the majority of individuals needing training) and 2) promoting shared and work-based education models that can be scaled and deployed throughout the state.

The Council's role is to be the bridge/facilitator between these industry and education/training solutions by investing in ways to scale programs with strong ROI and pilot new models.

Recognizing the importance of incumbent worker training alongside the development of new entrants, the Council will seek and invest in flexible models or platforms that can address multiple occupations and skill sets. These programs will concentrate on the following:

- **Retool:** Finding ways to rapidly add to an individual’s existing competencies to retool them for new jobs or deploy them into a different industry.
- **Upgrade:** Increasing access to training that enhances competencies within existing occupational clusters.
- **Upscale:** Developing competency-based approaches that systematically enhance and verify skills while helping employers absorb the pipeline of new workers.



Platform/Model and Examples of Solutions	Characteristics of the Solution Space
<p>Retool:</p> <p>Workers needing to “add to” their skill base to be more marketable or move between industries. Examples include:</p> <ul style="list-style-type: none"> • Internships and cooperative education models • Bootcamps or intensive short courses • Industry-based “finishing schools” 	<ul style="list-style-type: none"> • Targets workers with base skills that can be retooled for the same or similar occupation or industry-specific applications (moving from one industry to another) • Typically, short-term training cycle (< 3-6 months) for workers with experience • Significant work-based training for students/new entrants. • Scalable with “rinse and repeat” potential across occupations or industries.
<p>Upgrade:</p> <p>Increasing access to training that enhances competencies within existing occupational clusters. Examples include:</p> <ul style="list-style-type: none"> • Professional certifications • Shared/remote regulatory training • Supervisory and mentoring training • Structured on-the-job training (OJT) 	<ul style="list-style-type: none"> • Used for ensuring that workers have competitive skills for their jobs; Demand can be aggregated across companies. • Typically, a mid-term training horizon: 3-12 months; specialized certification can be longer. • Specific needs tend to be episodic rather than ongoing, making it more difficult for traditional higher education models to be applied. • Highly customized content, yet structured and repeatable process. • Policies and process for structured OJT can be common across companies (similar to internship manuals).

<p>Upscale:</p> <p>Developing competency-based approaches that systematically enhance and verify skills</p> <ul style="list-style-type: none"> • Apprenticeships and work-based education • Industry badging and credentialing to verify competencies and training 	<ul style="list-style-type: none"> • Success measured by proficiency in a specific competency rather than hours of training. • The badge or certificate is recognized across employers and is portable (follows the workers). • Mid to long-term training horizon; development time can be lengthy; but once developed, content can be more quickly updated. • Significant amount of work or place based training alongside classroom instruction.
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METRICS AND MEASUREMENT

The Council will continuously track and measure its progress through:

1. **MILESTONE REPORTING:** Track accomplishments of the Council in fulfilling its legislative duties as a convener and facilitator for high priority talent issues.
2. **INVESTMENT METRICS:** Evaluate results of co-investments and demonstrate return on investment.

MILESTONE REPORTING	Initial Deadline	Ongoing Deadline
Complete and adopt the Oregon Talent Plan (<i>are talent priorities and needs clear?</i>)	November 2015	End of biennium
Complete and adopt an investment strategy and criteria (<i>is there a cohesive strategy to address the Council's talent priorities?</i>)	February 2016	1 st qtr of biennium
Award investment grants (<i>are we putting our money to work in key areas of need?</i>)	March – June 2016	2 nd – 3 rd qtrs of each biennium
Develop and publish an Oregon Talent Index that benchmarks key talent data against the nation and competitor states (<i>do we know how we stack up against others and where we have competitive opportunities and challenges?</i>)	September 2016	Updated each biennium
Develop and complete an evaluation process that tracks program performance, identifies success factors, and shares best practices (<i>do we know what works and is worthy of public investment?</i>)	October 2016 to develop process	Final 6 months of each biennium
Complete memorandums of understanding with key agencies and councils as defined in legislation (<i>are we putting in place processes to more effectively align state policies and resources for high priority talent needs?</i>)	December 2016	4th qtr of each biennium
Complete Biennial Report that highlights key activities, reports on progress and reinforces the importance of investment in and attention to talent issues (<i>are we communicating what we are doing, where the needle is moving, and what issues remain top of mind?</i>)	February/March 2017	Winter/early spring of odd years

INVESTMENT METRICS

Each program and a roll-up of all investments will be measured by the following:

- Total number of students and workers served
 - Breakdown by students or incumbent workers
 - Breakdown by inside Willamette Valley and outside of Willamette Valley
- Total leveraged investment
 - By industry
 - By education and workforce partners
- Total ROI and average program ROI (measured by program cost per participant against their wage to estimate the return on an employer's/individual's investment)
- Total reported benefits by employers and participants
- Average satisfaction rate by employers and participants

An overview of “More, Better, Faster”

MORE, meaning how many: Continuous and adequate post secondary education and training to develop the quantity of graduates and completers needed for a healthy pipeline of professional and technical workers.

BETTER, meaning how prepared: Programs that augment degree credentials with applied skills, work-based learning and industry knowledge for increased employability and productivity.

FASTER, meaning how quick: Agile and scalable platforms to deliver education and training more rapidly and across regions of the state.



SUMMARY OF KEY AUDIENCES & MESSAGES

AUDIENCE	KEY MESSAGE
Oregon Businesses	The Council is listening to employers, to help fund and scale programs that provide the crucial talent you need.
Industry Associations and Organizations	The Council is helping create a voice for talent needs; Working together, we can generate innovative solutions to produce talent for industry’s workforce.
Education and Training Providers and STEM	The Council provides industry perspective to identify talent demand and insights into how programs can deliver the content and experience that differentiates graduates.
Oregon Legislature	The Council is an effective model for catalyzing high impact talent solutions with demonstrated ROI.
Local economic development and workforce organizations	The Council is partnering with local areas to address crucial Talent issues in the regions.
Media	Talent is a key economic driver and investments in our workforce, especially mission critical professional and technical jobs are key to the state’s economic success.
Foundations	The Council can help leverage philanthropic funds with clearly identified needs for talent that support economic and community well-being in Oregon communities.