

SECTOR SNAPSHOTS

A PROFILE OF SECTOR INITIATIVES, 2007

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BACKGROUND

THE NATIONAL NETWORK OF SECTOR PARTNERS (NNSP)

Founded in 1999 to encourage the use and effectiveness of sector initiatives as valuable tools for enhancing employment and economic development opportunities for low-income individuals and to assist regional industries.

As the national support center for sector initiatives, NNSP continually engages the field and represents its needs. NNSP does so, in part, by working with our affiliates and partners to provide information on the field, in order to support policy development and provide guidance on best practices.

NNSP's goals are to:

- Expand the commitment of public and private resources to industry-specific workforce development
- Inform and raise awareness about the benefits of sector initiatives
- Increase the quality, capacity and numbers of partners in the field
- Achieve the enactment of supportive public policy
- Provide information and resources to those working in the field

NNSP was founded with funding from the Ford, Charles Stewart Mott, Annie E. Casey, and the William and Flora Hewlett Foundations. A national advisory committee primarily composed of sector initiative leaders guides the work of NNSP. The advisory committee also includes leaders representing national organizations, funders, business and labor. NNSP is a project of the National Economic Development and Law Center.

NATIONAL ECONOMIC DEVELOPMENT AND LAW CENTER

Established in 1969 The National Economic Development and Law Center is a research, consulting, and legal organization dedicated to building economic health and opportunity in vulnerable communities. NEDLC works in collaboration with foundations, nonprofits, educational institutions, and business to develop and build programs and public policy that:

- lead to good jobs
- strengthen early care and education systems
- enable people and communities to build financial and educational assets

Since the early days of sector initiatives, NEDLC has played an important role in the development and expansion of the strategy nationwide. The organization serves as a technical assistance provider, engaging in support of public policy, and disseminating information to market and build the field.



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ACKNOWLEDGEMENTS

The National Network of Sector Partners offers a heartfelt thank you to each sector initiative leader that made the time to complete NNSP's detailed survey. The responses were invaluable in informing the growing field of practice.

Thanks also to our partner organizations, who contributed tremendously, including the Aspen Institute's Workforce Strategies Initiative, Jobs for the Future, the National Association of Workforce Boards, Public/Private Ventures, Regional Technology Strategies, Inc., and the Working for America Institute.

Additional thanks to Dexter Ligot Gordon, Saskia Traill and Jack Mills who provided their insight and guidance in this effort.

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SECTION I

EXECUTIVE SUMMARY

The sector field is growing, and changing for the better. Sector initiatives are expanding their role in existing industries, and they are working in new industries. More types of organizations are implementing sector strategies. Sector initiatives are broadening the kinds of funding they obtain, and are finding new ways to generate revenue. Increasingly, sector initiatives are expanding their impact by achieving improvements in industry practices and public systems.

This report examines key characteristics of sector initiatives as the field continues to grow.

Sector initiatives operate in a variety of industries and are highly concentrated in health care and manufacturing. The survey shows that sector initiatives operate in over 20 industries and that together, health care and manufacturing comprise more than 50 percent of the field.

Nationally, the health care industry is experiencing severe labor shortages—due to the increasing demand for health care services and a shrinking workforce¹. Meanwhile, job availability, wages and advancement opportunities within health care make it an attractive choice for many workers. These conditions have spurred the growth of sector initiatives to meet the needs of health care employers, while providing workers with access to and mobility within the industry.

Likewise, many sector initiatives operate in manufacturing. The loss of U.S. manufacturing jobs has been severe and ongoing. However, the industry projects the need for 10 million new skilled workers by 2020. Many workers will retire in the next 15-20 years, and nationally, the industry has found it difficult to meet its skill and workforce needs through the traditional education system.² In many regions, industry and key stakeholders have been proactive in heading off the persistent lack of skilled workers by investing in sector initiatives. Many industry leaders, such as the National Association of Manufacturers' Center for Workplace Success, have promoted sector strategies as an important way to meet the industry's needs.

Many types of organizations house sector initiatives: The majority of surveyed sector initiatives are housed in either a community based organization (26%) or a Workforce Investment Board (23%). The balance of sector initiatives are housed in economic development organizations, community colleges, business associations and labor management partnerships.

Among the types of organizations that house sector initiatives, the greatest growth since NNSP's 2003 report has been among Workforce Investment Boards. Sector strategies have increasingly been adopted by the WIA system. National entities such as the National Association of Workforce Boards have invested a tremendous amount of effort to build Workforce Investment Boards' capacity to implement sector initiatives, as have several states.

The sector field is maturing: The survey shows that sector initiatives are sustaining

¹ American Hospital Association (2006), 2006 Advocacy Issue Paper

² Manufacturing Institute, Deloitte & Touche (2003). Keeping America Competitive, How a Talent Shortage Threatens US Manufacturing. National Association of Manufacturers

themselves. Their median age is 6 years—demonstrating that half of the sector field has matured beyond the start-up phase.

Sector initiatives expand their budgets over time -- the longer they are in existence the larger their operating budgets tend to be. They also have developed more balanced funding portfolios in comparison with 2003.

Sector initiatives' budgets range widely, from less than \$60K to \$6.7M. As a group, their revenue sources are balanced and diverse. The most frequently used funding sources are federal, state and philanthropic sources, each comprising about 25% of the average budget. Sector initiatives also generate a significant amount of funding from earned income.

The growing organizational commitment to sector initiatives provides another demonstration that the field is maturing. Among organizations that house one sector initiative, a significant percentage (41%) have launched a sector initiative in a second industry.

Sector initiatives continue to provide services that meet employer and worker needs: The most commonly provided services for workers are incumbent worker training, occupational skills training and case management. For employers, sector initiatives most commonly place workers, provide customized training, and perform human resource functions. Sector initiatives serve a diversity of populations, most frequently working with people of color, women, and low-income individuals.

Employers are central to sector initiatives: Employers are deeply involved with sector initiatives. Most commonly they participate in program design, provide in-kind contributions, and market the sector initiative. Further, half of sector initiatives receive monetary contributions from their employer partners.

Sector initiatives aim to create systems change: Virtually all (91%) sector initiatives report that they achieve at least one form of systems change. Most commonly, sector initiatives report that they change the nature in which workers are training for jobs; they improve the linkages between jobs; they change the way that the workforce development system links individuals, training and jobs; and they improve business efficiency or productivity.

Sector is gaining steam: Increasingly, policy makers and industry leaders are investing in sector strategies. Governors in 11 states have appointed leadership teams to orient their policy systems to support sector strategies. National industry associations in health care, manufacturing, retail and others are investing in the creation of new sector initiatives. National organizations such as the Aspen Institute, National Association of Workforce Boards, and the American Association of Community Colleges are leading training to build the capacity of workforce professionals to implement sector strategies. With this surge of investment in sector, the field will continue to grow and increase its impact on employers and workers.

SECTION II

INTRODUCTION

The use of sector strategies has grown significantly since 2003, when the National Network of Sector Partners (NNSP) published the second edition of Sector Snapshot. The growth is largely because public policy support and funding for industry-focused workforce development has expanded.

In the past five years, a number of federal policies have contributed to the growth of the sector field. In 2001, the Department of Labor launched its Sectoral Employment Demonstration Project with some support from NNSP. With the promising results from the demonstration, the Department of Labor has increasingly utilized a sectoral approach as a central focus in its funding initiatives—the High Growth Job Training Initiative, the Community- Based Job Training Initiative and the Workforce Innovation in Regional Economic Development (WIRED) initiative. These federal policies have bolstered creation of new sector initiatives, the expansion of existing ones and have influenced state policy to support sector initiatives.

In addition, at least sixteen states have supported sectoral approaches, and many states have sought to reorient existing workforce, economic and education systems to strengthen their sector strategies. For instance in 2006, Governors of eleven states have appointed teams of policy makers, leaders of sector initiatives, and other stakeholders to make policy support for sector initiatives more robust. A partnership of the National Governors Association, the Corporation for a Skilled Workforce, and NNSP is supporting the states' efforts, and is also providing information on policy support for sector initiatives to opinion leaders in states across the country.

NNSP has also worked with the National Association of Workforce Boards (NAWB), the National Center on Education and the Economy, and the American Association of Community Colleges (AACC) to promote the sector strategy. NAWB and AACC are training Workforce Investment Boards and community colleges to build the capacity of their members to utilize sector strategies. NNSP is also working with the National Association of Manufacturers to expand business associations' involvement with sector strategies.

The 2007 Sector Snapshot provides an in-depth report on the field's growth, as well as the maturation resulting from the field's increasing experience. However, a report on the field's growth and maturation would not be complete without a look back at its roots.

Use of the sector strategy began in the 1980s when a handful of community-based organizations and their foundation supporters attempted to develop new ways to improve economic opportunities for low-income individuals by tailoring their efforts to specific industries. Organizations such as Focus: HOPE, pioneered the sector strategy in the manufacturing industry in Detroit, and, the Garment Industry Development Corporation applied the approach in the New York garment industry.

Other organizations also helped to create unique solutions to strengthen regional industries and to improve jobs and pathways to careers for low-income residents of the region. These included Cooperative Home Care Associates which aimed to improve the home health care industry in the South Bronx, and Project QUEST, set up to work in the healthcare and aeronautical

industries in San Antonio, Texas. When the sector field was in its nascence, NEDLC played a key role in the development and expansion of the sector strategy nationwide, serving as a technical assistance provider, engaging in support of public policy, and disseminating information to market and build the field.

Like the early sector initiatives, today's sector initiatives improve economic opportunities for low-income individuals, as well as other constituents, by using strategies that address an industry within a specific labor market. By doing so they pursue the goals of increasing access to good jobs and/or improving the quality of jobs.

SECTION III

SURVEYING THE FIELD

Sector initiatives share four common elements that distinguish them from conventional workforce development programs. They:

- Target a **specific industry**, crafting solutions tailored to that industry in that region;
- Offer the presence of a **strategic partner** with deep knowledge of the targeted industry and its companies, linking them with organizations that may include community-based nonprofits, employer organizations, organized labor, community colleges and others;
- **Benefit low-income individuals**, including the unemployed, non-traditional labor pools, and low-wage incumbent workers, by training them to access high-wage jobs in targeted industries; and
- Promote **systemic change** that cultivates a **win-win** environment by restructuring internal and external employment practices to achieve changes beneficial to employers, low-wage workers, and low-income job seekers.

In 2000, NNSP conducted the first nationwide survey of sector initiatives. The resulting report, *Sector Snapshot, 2000*, assessed a portion of the sector field, determined the industries sector initiatives targeted, identified how they were being funded, what strategies they used, and what types of assistance were necessary for them to flourish. NNSP produced the second edition of *Sector Snapshot* in 2003.

Sector Snapshot, 2007, the third edition of this report, provides an in-depth look at a cross-section of the sector field. It provides data from, and analysis of, survey responses by 96 sector initiatives that target at least 20 different industries.

The survey was designed by NNSP with input from The Aspen Institute's Workforce Strategies Initiative. The asked respondents if they currently operate a program that meets all four of the criteria that define a sector initiative, and then, sought in-depth information about programs that did. Like previous surveys, the 2007 survey requested information on the type of organization in which the sector initiative is housed, industries targeted, strategies used, funding received, and assistance needed. It also requested information on services provided to businesses, the number of businesses served, and ways in which businesses support sector initiatives. Further, it requested information on services provided to individual program participants, their education, barriers, and race/ethnicity.

The 2007 survey includes a new feature that included a section specifically focused on systems change. Systems change describes the impact of sector initiatives that extends beyond their programmatic scope and duration. The survey describes sector initiatives' efforts to improve employment opportunities/conditions by bringing about systems change in labor market practices, public institutions that serve workers, and industry (the workforce system, education

systems etc.), and policy.

NNSP distributed the survey instrument via email to a list of about 650 potential sector initiatives. This list was compiled from NNSP's database of sector initiatives, with additions from Public/Private Ventures, the National Association of Workforce Boards, Jobs for the Future, Regional Technology Strategies, Inc., and the AFL-CIO Working for America Institute. Of the 650 organizations that received a survey, NNSP received a response from 134 organizations. Of these 134 responses, 96 identified themselves as sector initiatives. A full list of respondents is included in Appendix A.

SECTION IV

PROFILE OF THE SECTOR FIELD

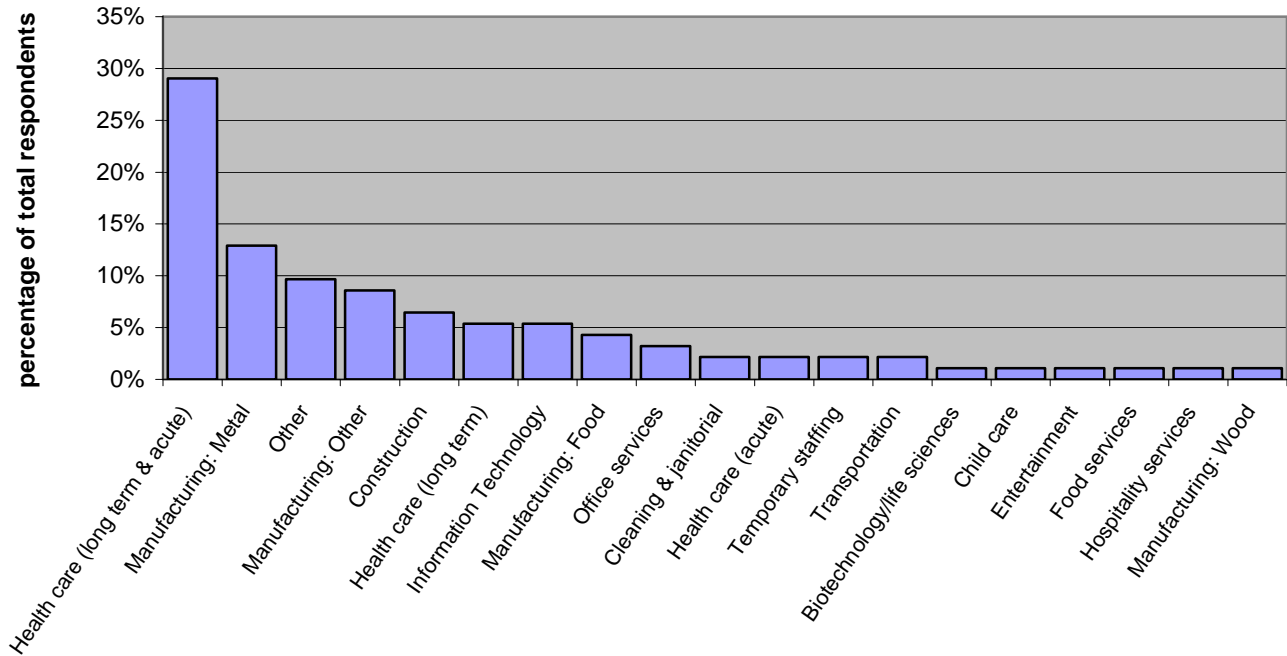
INDUSTRY CONCENTRATIONS

The 2007 survey findings reveal that sector initiatives operate/exist/take place in at least 20 different industries, but are heavily concentrated in the health care (36%) and manufacturing (27%) industries. Combined, these two industries represent a majority (63%) of all sector initiatives. Sector initiatives also have a significant presence in the following industries: construction (7%), information technology (5%) and office services (3%). The Other (10%) category includes sector initiatives that operate/exist/take place in the marine, research, auto repair, agricultural and logistics sectors.

The four most common industries for sector initiatives remained constant in the survey conducted in the year 2000, 2003 and 2007. They include healthcare, manufacturing, construction and information technology. However, the industry distribution in 2007 is more heavily concentrated in health care (37%) and manufacturing (27%) than in previous surveys, where the distribution was more evenly distributed.

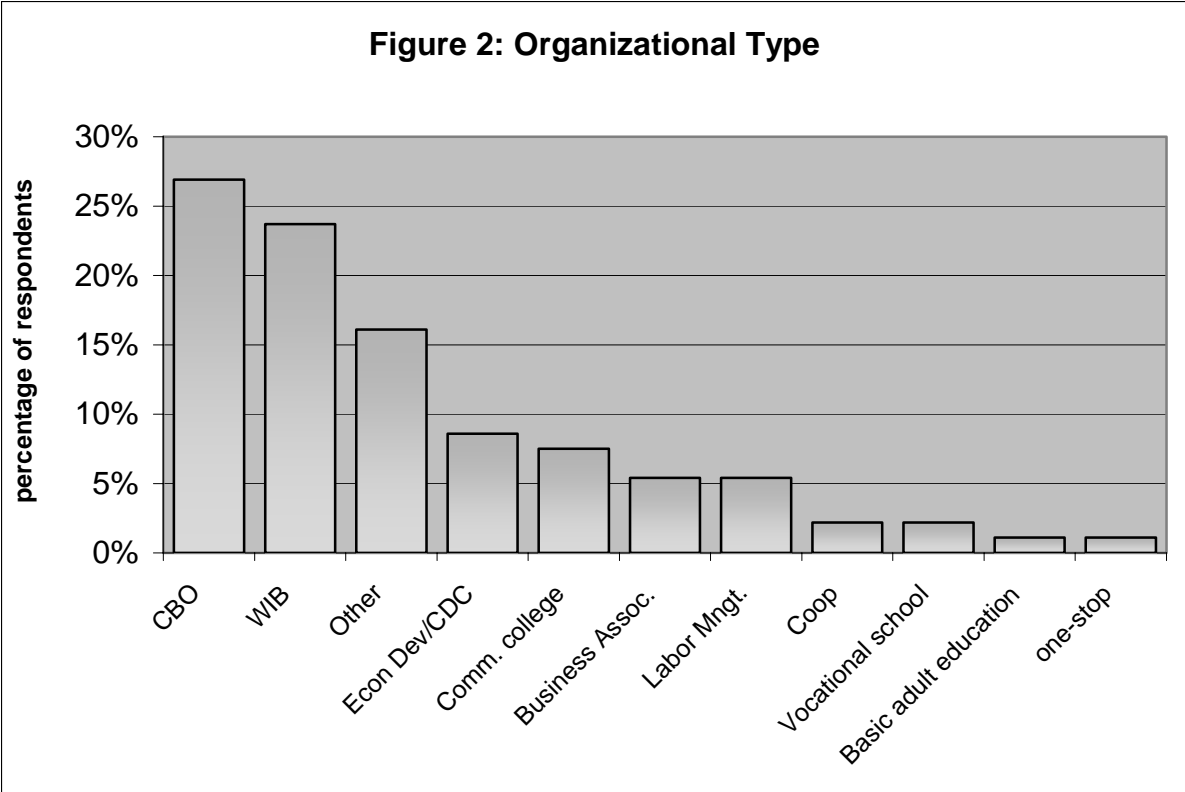
A significant proportion of survey respondents (41%) target more than one industry with separate sector initiatives. These respondents were asked to identify the first and second industries in which they operated. In comparison to the first industry, the second industry initiatives are less concentrated in health care and manufacturing. Healthcare comprises 21% of all second industry initiatives and manufacturing sectors comprise 18%, while Information Technology and construction comprise 15% and 8% respectively.

Figure 1: Sector Initiatives by Industry



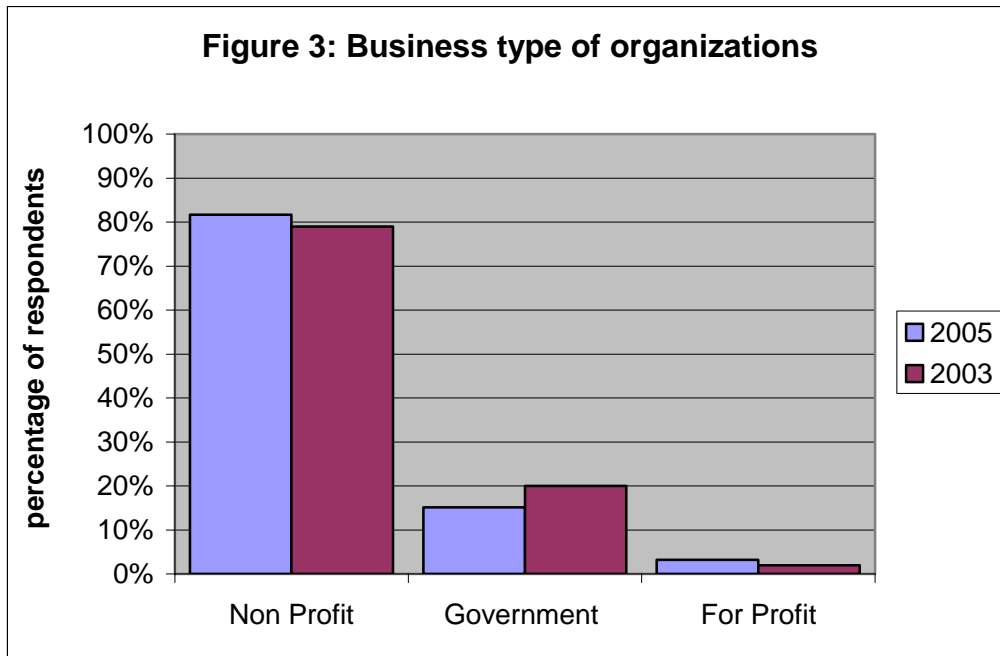
SECTOR INITIATIVE INTERMEDIARIES

In 2007, as in the last survey, community-based organizations (CBOs) and Workforce Investment Boards (WIBs) are the most common sector initiative intermediaries. Combined, they operate over half of sector initiatives. Subsequently, the most frequent organizational types serving as sector initiatives intermediaries in order, are: Other, Economic Development/Community Development Corporations (ED/CDCs), Community Colleges, Business-Employer Associations and Union-Labor Management partnerships. The Other organizations mainly fall into three categories: public agencies related to workforce, those organizations that describe themselves as performing workforce intermediary functions, and research and policy organizations.



PRIVATE VERSUS PUBLIC INSTITUTIONS

Confirming the trend highlighted in 2003, the vast majority (82%) of sector initiatives continue to be housed in non-profit organizations. Combining non-profit and Government organizations, the corresponding figure rises to 97%, with a small minority in for-profit organizations.



INDUSTRIES THAT ARE MORE LIKELY TO BE SERVED BY CERTAIN TYPES OF ORGANIZATIONS

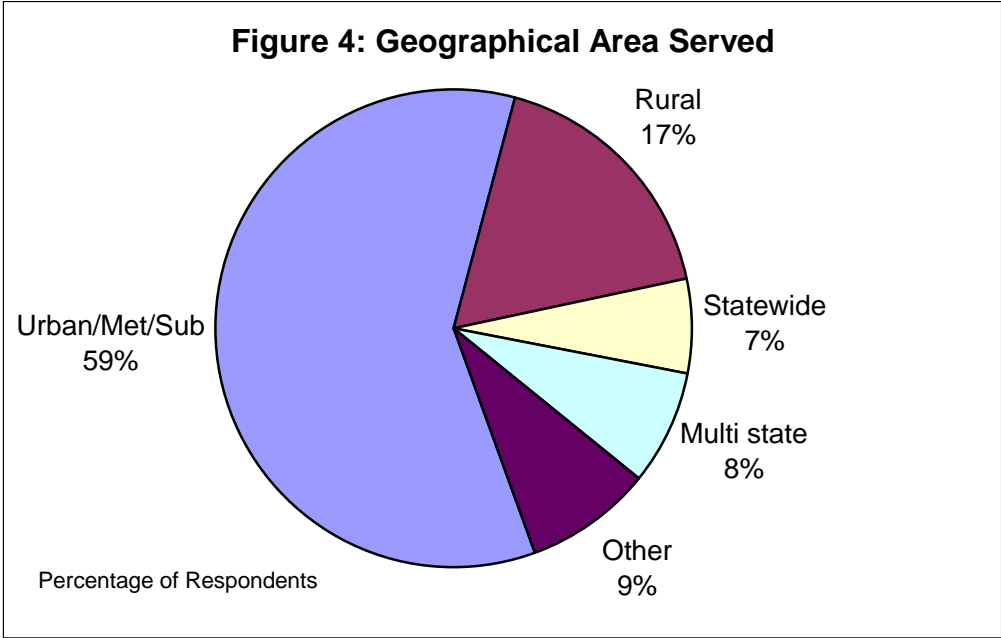
The long-term and acute Health Care sector is more likely to be served by Workforce Investment Boards (WIBs), which represent almost half of the sector initiatives focusing on this sub-industry. Although the long-term health care sector is no more or less likely to be served by any one organization type, notably both of the co-operatives in the survey are found in this sector.

The Manufacturing (metal products) sector is also more likely to be served by WIBs. In addition, the Manufacturing (other) sector is more likely to be served by Economic Development /Community Development Corporations (ED/CDCs).

The construction industry is also more likely to be served by Community Based Organizations (CBOs) and ED/CDCs, which operate two-thirds and one-third of sector initiatives in this sector, respectively.

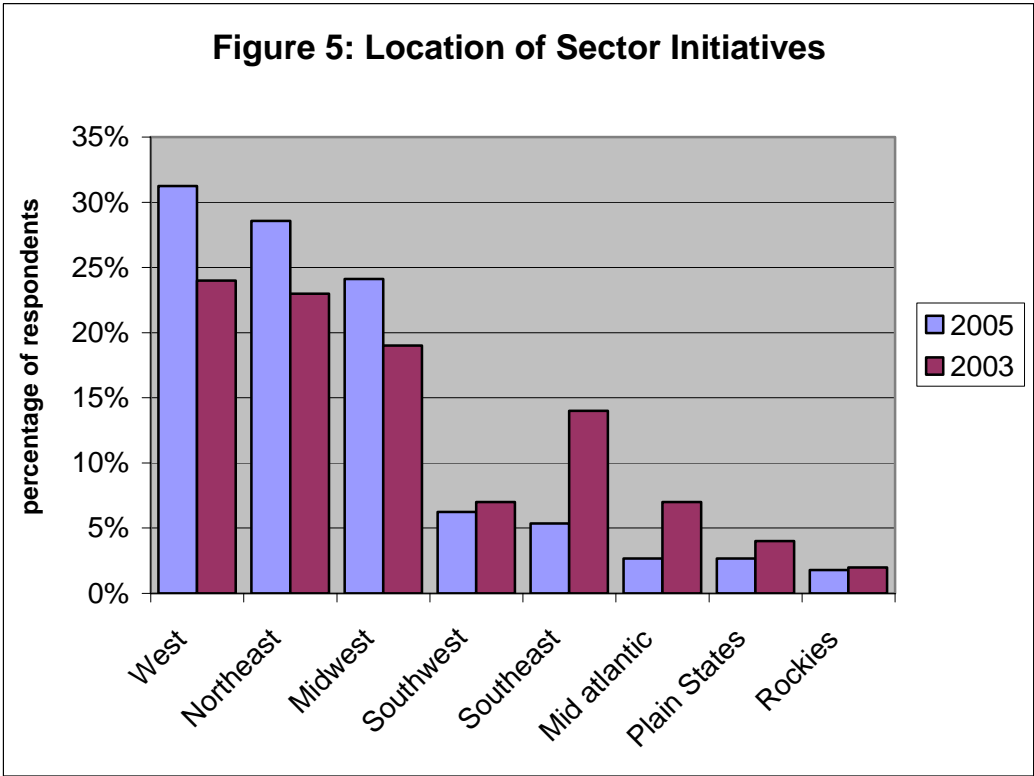
GEOGRAPHY SERVED

In terms of geographical areas served, the overwhelming majority of practitioners are in urban-metropolitan-suburban areas, followed by rural areas. A small minority of practitioners report that they operate statewide, across states or some other kind of geographical distribution.



REGIONAL DISTRIBUTION

As in 2003, sector initiatives are mainly concentrated in three regions. The highest concentration of sector initiatives continues to be in organizations based in the West (31%), Northeast (29%) and Midwest (24%), and the lowest concentrations are in the Plain and Rockies States (combined 4%).



DISTRIBUTION OF SECTOR INITIATIVES BY NUMBER OF YEARS IN EXISTENCE

Compared to the last survey, sector initiatives in 2007 have been operating significantly longer. The vast majority of respondents launched their sector initiatives at least six years prior to the 2007 survey, while the opposite was true for the last survey.

Although sector initiatives in 2007 tend to be older, there continue to be a significant number of new programs launched. Almost 16% of all sector initiatives were started in the two years prior to the survey.

The newer sector initiatives in this survey (operating for less than five years) tend to have been started by WIBs. Furthermore, 86% of sector initiatives housed in WIBs have been operating for less than six years.

The vast majority of sector initiatives that have been operating for six to ten years, are housed in CBOs, business associations and organizations self-defined as 'Other.' Organizations designating themselves as 'Other' define themselves as intermediaries, research institutions and public agencies (all related to workforce development).

Sector initiatives that have been in existence for over 10 years are more likely to be housed in CBOs or Community Colleges. Additionally, CBOs and Community Colleges comprise a very small portion (7%) of new sector initiatives that have been operating for less than two years. Finally, where sector initiatives are operated by union labor partnerships or vocational schools, these tend to have been operating for over 10 years.

In 2007 the age distribution of sector initiatives is inverted in comparison to the 2003 survey.

Table 1: Percentage of Sector Initiatives by Number of Years in Existence

	2003	2005
0-2 years	53.0%	16.0%
3-5 years	24.0%	34.0%
6-10 years	10.0%	23.4%
10+ years	14.0%	26.6%

PROGRAM DIVERSITY AND SECTOR INITIATIVES

The majority of practitioners (63%) noted they provide other workforce and/or direct services in addition to their sector initiative. The remainder reported that their Sector Initiative was the only workforce/employment related program.

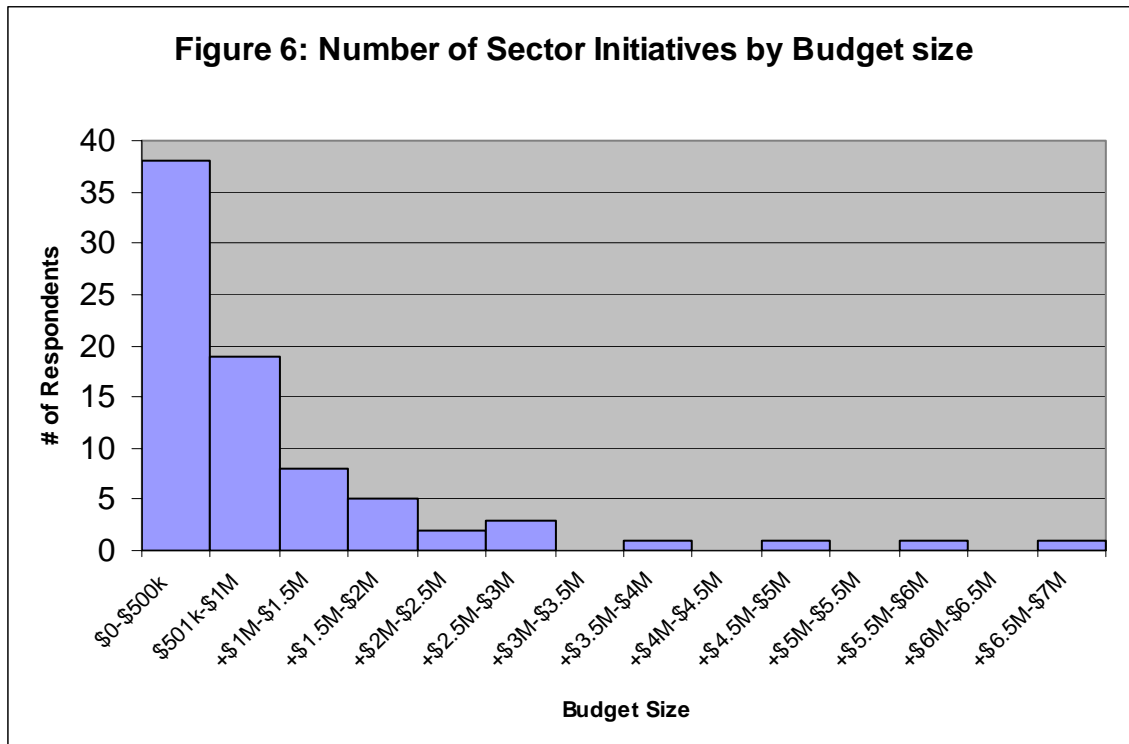
SECTION V

FUNDING AND BUDGETS

DOLLAR BUDGET FOR SECTOR INITIATIVES OPERATIONS

The vast majority of sector initiatives have modest/limited budgets. The median budget among the respondents was \$550,000. Twenty percent (20%) of sector initiatives have a budget of \$150,000 or less, and 60% have budgets of \$800,000 or less. Beyond these budget ranges, the remaining 40% of sector initiatives are spread over a much larger range. At the top end of the scale, there were five organizations that had budgets over \$2.75M. Two of these were union labor partnerships, the others being a WIB, Economic Development/CDC and a business employer association.

When examining organizations that have multiple sector initiatives, the budget sizes for the “second industry initiative” vary greatly from the first. Average budgets for organization’s second industry initiative are significantly smaller. These sector initiatives had a mean of \$420,000 and a median of \$230,000, with 86% of these second industry sector initiatives operating with budgets less than \$600,000.



DOLLAR BUDGETS BY AGE OF SECTOR INITIATIVES

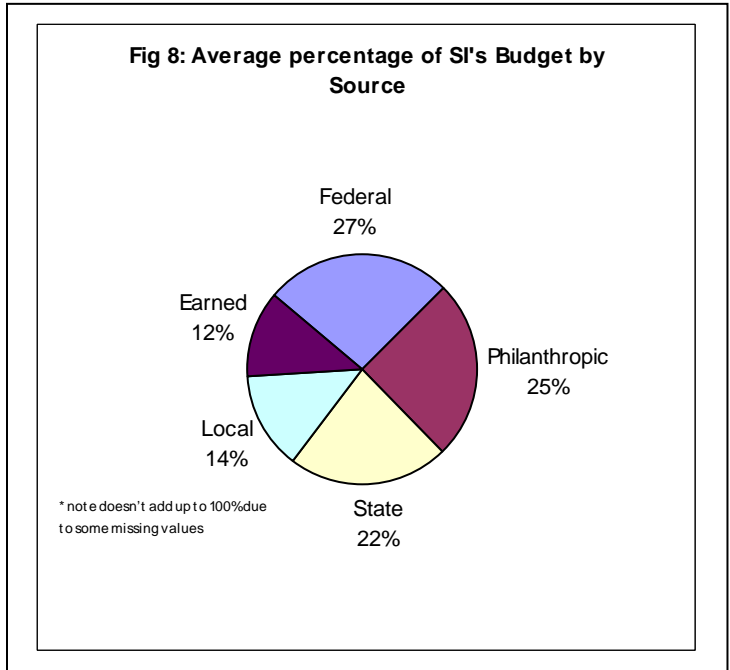
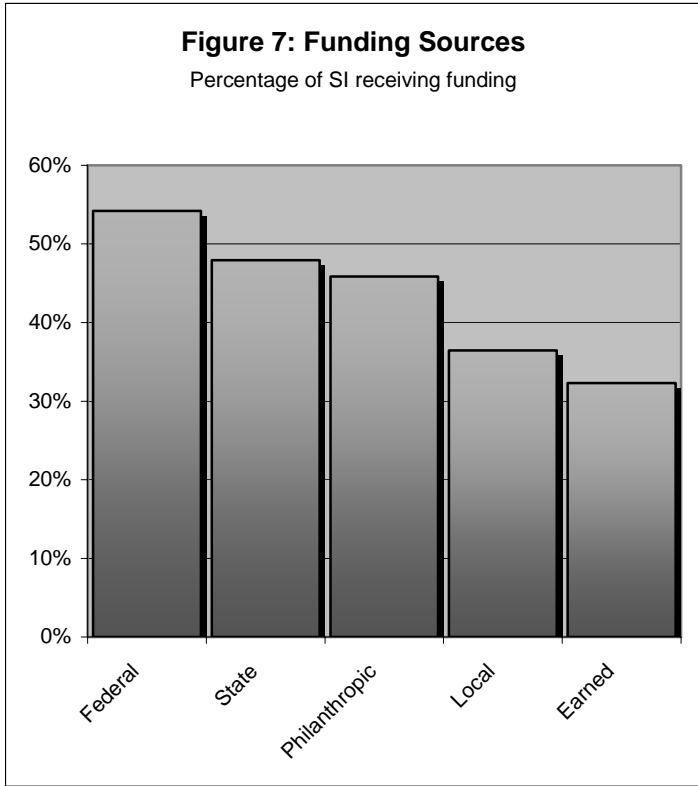
A direct correlation exists between a sector initiative's age and its budget size. The longer sector initiatives are in existence the larger their operating budget tends to be. In particular, younger sector initiatives operate with significantly smaller budgets. For instance, sector initiatives which are less than two years old operate on an average budget of \$320,000. This compares to \$800,000 and \$770,000 for sector initiatives that are three to five years old and six to ten years old respectively. Sector initiatives operating for more than ten years appear to be much larger with an average operating budget of \$1.8M.

BUDGET SIZES OF SECTOR INITIATIVES BY ORGANIZATION TYPE

Analyzing the size of sector initiative budgets by organization type, union labor partnerships stand out in terms of their size, although they represent a small proportion of the respondent pool. Union partnerships quoted their budgets at between \$1.3M and \$6.7M, which well exceeds the average for the rest of the sample. Business Associations demonstrate a wide range of budget sizes for their sector initiatives--from \$92,000 to \$3M. CBO's operate sector initiatives with comparatively smaller budgets, with the exception of a couple of programs that exceed \$2M. The majority of CBOs have a budget for their sector initiatives between \$35k and \$1M. Generally, the budget size for sector initiatives housed in Economic Development Organizations and WIBs are comparatively small as well, with a distribution similar to CBOs. However, it is noteworthy that selected WIBs operate sector initiatives that are much larger e.g. four WIBs operate projects in excess of \$1.4M. In comparison, Community College programs tend to operate sector initiatives with large budgets ranging from \$500,000 up to \$2M.

FUNDING SOURCES FOR SECTOR INITIATIVES

As shown in the bar chart below, the most frequently utilized source of funding by sector initiatives are Federal and State sources, followed by philanthropic, local and earned income.



Federal funds are the most frequently used funds and represent the greatest share of the average budget, followed by philanthropic and then state funds. Nearly half of respondents utilized state sources that, on average, comprised 22% of sector initiative budgets. Philanthropic sources were also frequently utilized and comprised 25% of the average budget.

While more than a third of sector initiatives utilize local funding, on average local funding comprises only 14% of the average budget. A significant number of the sector initiatives continue to generate earned income (about one-third) which is consistent with the 2003 survey. On average, the earned income comprises 12% of the average budget, and almost equals the revenue sector initiatives generate from local public funding.

SECTION VI

WORKER STRATEGIES

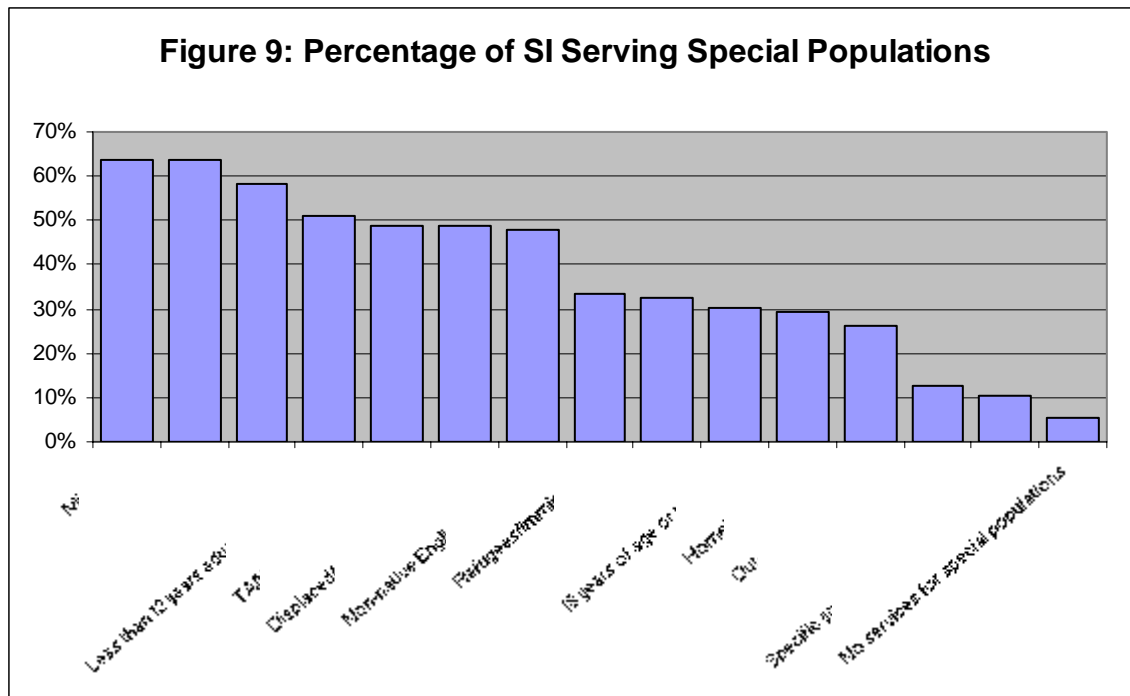
Whether working in traditionally high or low-wage sectors, sector initiatives aim to improve the lives of low-income workers and simultaneously strengthen a particular industry in a particular region. Successful sector initiatives improve access for disadvantaged individuals' to well-paying jobs and/or improve the quality of such jobs for low-wage workers. To meet these objectives, sector initiatives identify how they can improve the way an industry functions. Multiple strategies can be implemented to achieve such results and most commonly, sector initiatives integrate a variety of different strategies.

WORKER POPULATIONS SERVED

The survey asked how many of the sector initiatives serve different sets of specific or “special” populations. The chart below shows the proportion of respondents who said that they serve these populations. The most common populations served are minorities, female, and low-income individuals. Approximately 60% of practitioners said they serve each of these groups. In addition, approximately half of practitioners serve the following groups: those with no GED/less than 12 years education, TANF³/welfare recipients, displaced/dislocated workers, and non-native English speakers.

Although some of the categories are slightly modified since the last survey, the populations served have not changed significantly between 2003 and 2007. Sector initiatives continue to focus most heavily on the following special populations: low-income individuals, displaced workers, TANF recipients and limited literacy adults.

³ Temporary Assistance for Needy Families



SPECIAL POPULATIONS THAT ARE MORE LIKELY TO BE SERVED BY CERTAIN ORGANIZATION TYPES

Certain client populations were more likely to be served by certain organizations. For instance, a much higher proportion (almost half) of the most hard-to-reach populations were served by CBOs. These include: ex offenders, TANF recipients and the homeless. Further, clients that are low income, minority, female, non-native English speakers, or those with less than 12 years education are also more likely to be served by CBOs.

CORRELATING WORKER POPULATIONS WITH INDUSTRIES

In general, job seekers from special populations are more likely to participate in a sector initiative in the following sectors: construction, IT, healthcare services and manufacturing (metal). These types of workers are generally less likely to be involved in non-metal manufacturing occupations.

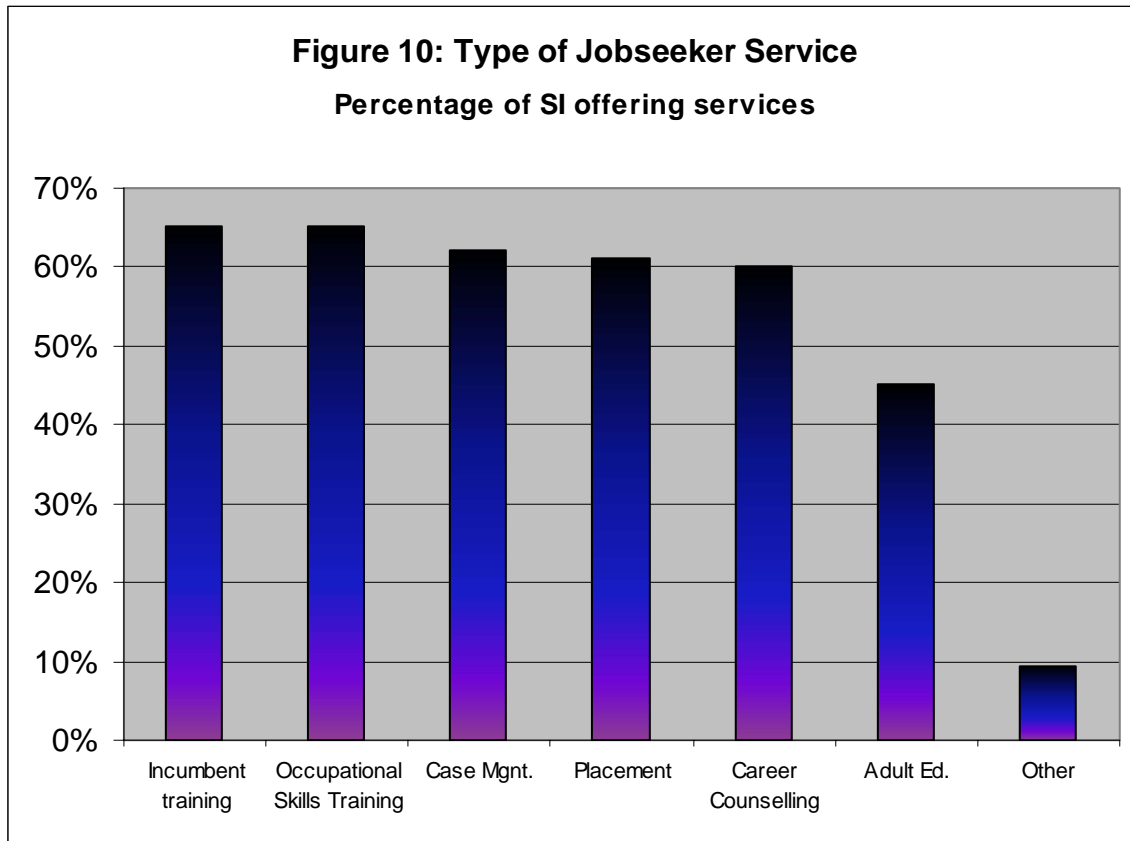
Specifically, ethnic minorities, those with less than 12 years education or low-income workers are more likely to work in construction. TANF and displaced/dislocated workers are more likely to participate in a healthcare sector initiative (LT & Acute). In addition, ex-offenders are more likely to participate in manufacturing (metal) sector initiatives, and, out-of-school youth and homeless workers are somewhat more likely to participate in IT.

JOBSEEKER SERVICES OFFERED

In terms of workforce services offered to jobseekers/workers, the chart below shows the proportion of jobseekers served by sector initiatives who receive different types of jobseeker

assistance. Sector initiatives in the respondent pool most commonly provide skills training to incumbent workers and job seekers. Training to incumbent workers mainly refers to technical or trade skills, skills upgrading, “soft skills” or basic job skills; typically customized to a particular employer, or group of employers. Training to jobseekers mainly refers to soft skills, job readiness and basic skills to enter the target industry.

Case management and support services, placement services and career counseling were all provided to at least 60% of job seekers or workers served by sector initiatives in the pool of respondents. Case management involves assisting with the whole range of subsidies/assistance available for jobseekers and referral to any further support needed. Placement services ranged from job search assistance to interview preparation and retention. Counseling involves aptitude testing and referrals to vocational and higher education. In addition, 45% of sector initiatives in the respondent pool deliver adult education.



WORKFORCE SERVICES THAT ARE MORE LIKELY TO BE OFFERED BY CERTAIN TYPES OF ORGANIZATIONS

CBOs in the respondent pool are more likely to provide all of these services than the other organizations, with the exception of incumbent training. This is particularly true for adult education and placement and case management services.

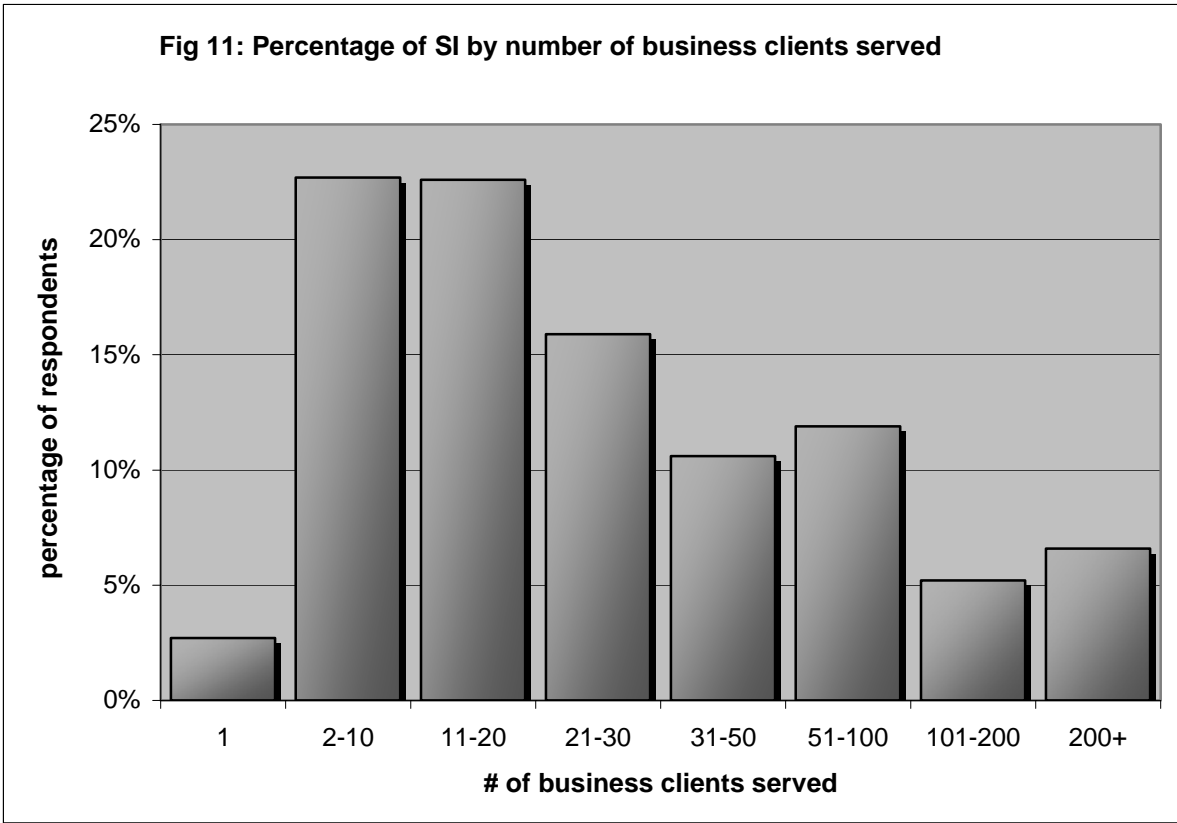
SECTION VII

BUSINESS STRATEGIES

The vast majority (75%) of sector initiatives in the respondent pool offer both worker and employer-focused services.

NUMBER OF BUSINESSES SERVED BY SECTOR INITIATIVES

The vast majority of sector projects serve more than one business and most serve between two and 30 business clients. But it is worth noting that more than one-third (34%) of practitioners surveyed provide services to more than 30 businesses. It is also noteworthy that 34% of sector initiatives serve more than 30 businesses. At the top end of the scale, 7% of sector initiatives serve more than 200 clients. Business employer associations or ED/CDC organizations typically had the most business clients.



BUSINESS SERVICES OFFERED

TYPES OF SERVICES OFFERED TO EMPLOYERS AND BUSINESSES

The most common service, on average, provided by sector initiatives to businesses is supplying workers from their pool of program participants. The next most commonly provided service is customizing training to the needs of employers. It is also noteworthy that nearly half of sector initiatives provide Business/Industry Development Services (organizing roundtables, industry/market analysis, technical assistance and market development), and, Human Resource services to employers which includes screening candidates, retention services, training needs assessment and career path analysis.

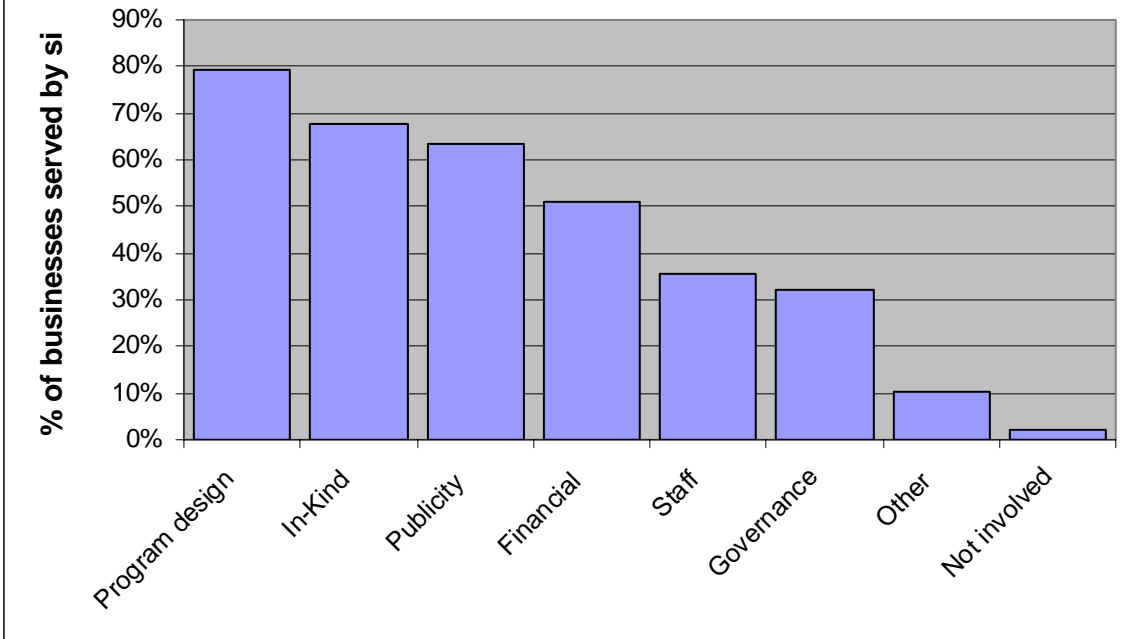
Table 2: Business Services Most Commonly provided by sector initiatives

Hiring employees	59.0%
Customized Workforce training	58.0%
Business/Industry Development Services	47.0%
HR services	45.0%
Other	5.0%

HOW EMPLOYERS PARTICIPATE WITH SECTOR INITIATIVES AS PARTNERS

The most common form of participation of employers in sector initiatives in the respondent pool is participating in the design of the training curriculum and program. Furthermore, providing in-kind contributions and marketing support are other common forms of employer participation. Half (50%) of sector initiatives in the pool of respondents report that they receive monetary contributions from their employer partners.

Figure 12: Percentage of businesses involved with SI by type of involvement



SECTION VIII

SYSTEMS CHANGE

SYSTEMS CHANGE DEFINED

Systems change describes the impact of sector initiatives that extends beyond the scope or duration of a Sector Initiative. The 2007 survey examines the impact of sector initiatives on: employment opportunities and conditions for workers, labor market practices, and public institutions that serve workers and industry (workforce system, education systems etc.).

HOW SECTOR INITIATIVES IMPROVE THE LABOR MARKET OR BUSINESS ENVIRONMENT

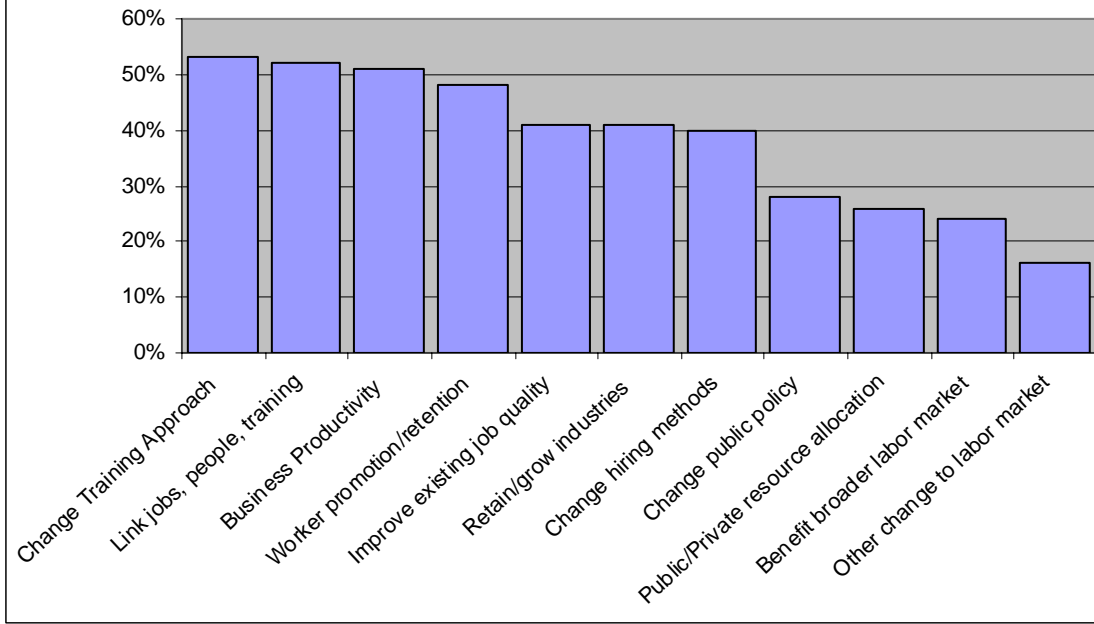
A vast majority of respondents (89%) report that they are engaged in labor market and business environment improvement. These improvements include improving job quality and career mobility. About half of sector initiatives are involved in systems change that relate to training, intermediary services, and business efficiency. Specifically, these interventions are: changing the way workers are trained for particular occupations, improving the way workforce development systems link individuals to training and available jobs, improving worker promotion and retention (e.g., identifying career ladders), and, making business more efficient or productive.

Additionally, around 40% of sector projects are involved with improving the quality of existing jobs, changing the way workers are hired in a particular occupation or industry, or retaining and growing particular industries within a community.

A majority (77%) of sector initiatives report that they are engaged in improving the workforce development system (linkages, policy and resource allocation).

Figure 13: Types of System Change

Percentage of SI engaged in system change



Out of the total practitioners who said that their activities in their target industry are aimed at improving the local labor and business environment, a significant minority, 26%, reported that their activities also benefited workers in the broader local labor market who are not program clients.

The figures above confirm that sector initiatives are firmly focused on improving job quality and career mobility but they also indicate that their aims are much wider, encompassing improvements to the functioning of the local labor markets, business environment and overall economic development of an area.

SECTION IX

CONCLUSION

The sector field is both growing and maturing. Sector Initiatives are deepening their involvement within industry improving employment opportunities for workers and results for employers. They are achieving new forms of systems and institutional change, aiming to increase efficiency in labor markets. The National Network of Sector Partners continues its aim to support the growth and effectiveness of the sector field nationally. As a trade association, NNSP will continue to provide information, foster peer learning and advocate on behalf of sector initiatives. By supporting the growth of the sector field—NNSP aims to improve opportunities for workers, the success of industry and vitality of communities.

APPENDIX A

LIST OF RESPONDENTS

Arizona	Primavera Foundation
Arizona	Tucson Medical Center
Arkansas	Southern Good Faith Fund
Arkansas	Alaska Process Industry Careers Consortium
Arkansas	Northwest Arkansas Industries for Education
California	East LA Community Corporation
California	JVS
California	LAO Family Community Development
California	Workforce Investment Board of Solano County, Inc.
California	Asian Neighborhood Design
California	Women at Work
California	Mother Lode Workforce Investment Board
California	Los Angeles County WIB
California	Sacramento Employment & Training Agency
California	Dans Street Family Resource Center
California	Florence Crittenton Services
California	Workforce Investment Board of Santa Cruz County
California	NOVA Workforce Board
California	San Mateo County Workforce Investment Board
California	Gain division-Los Angeles County Office of Education
California	Lancaster County Workforce Investment Board
California	Taller San Jose
California	Anaheim Workforce Investment Board
California	College of the Redwoods-Fine Woodworking Program
California	Ventura County WIB
California	Cabrillo College
California	Workplace Hollywood
California	Farm worker Institute for Education & Leadership Development (FIELD)
California	National Institute of Community Enlightenment
Colorado	Urban Children's Coalition
Colorado	Division of Workforce Development/ Office of Economic Development
Connecticut	The Workplace
DC	Center for Workforce Success
DC	Shipbuilders Council of America
Florida	Resource Center for Women
Florida	Crown Workforce Board
Florida	CLM Workforce Connection
Florida	Worknet Pinellas, Inc.

Georgia	Coosa Valley Regional Development Center
Illinois	CAEL
Illinois	Greater North Pulaski Development Corporation
Illinois	Computing Technology Industry Association
Illinois	Upward Mobility
Illinois	Jane Addams Resource Corporation
Illinois	PTDA Foundation
Illinois	IMF Illinois Manufacturing Foundation
Illinois	Chicago Jobs Council
Illinois	Center for Labor and Community Research
Indiana	Institute for Career Development
Indiana	Training, Inc.
Indiana	Workforce, Inc.
Kentucky	Tri County Business Industry Training Consortium
Louisiana	Delgado Community College
Maine	Workers Investment Board, Aroostook/Washington counties
Maine	Central/Western Mine Workforce Investment Board
Maine	Pathways to Higher Education
Maine	Women Work and Community University of Maine at Augusta
Maine	The Landing School
Maryland	Goodwill Industries of Chesapeake
Massachusetts	Jamaica Plain NDC/Fenway CDC
Massachusetts	Acre Family Day Care
Massachusetts	Massachusetts Worker Education Roundtable
Massachusetts	Bristol Workforce Investment Board
Massachusetts	Greater New Bedford WIB
Massachusetts	Medio South/West Regional Employment Board
Massachusetts	North Central Massachusetts Workforce Investment Board
Massachusetts	The Women's V.
Massachusetts	Management Consulting Services
Massachusetts	Employment Resources Inc.
Massachusetts	Commonwealth Corporation
Michigan	Detroit Regional Chamber
Michigan	Focus: HOPE
Michigan	Flint Genesee Economic Growth Alliance
Michigan	The Source
Michigan	Detroit Workforce Development Department
Minnesota	Southwest Minnesota Private Industry Council
Minnesota	Heartland Community Action Agency, Inc.
Minnesota	Central Lake College
Minnesota	"META 5 Displaced Homemaker Program"
Minnesota	Workforce Development, Inc.

Mississippi	Tri-County Workforce Alliance
Nebraska	YWCA Omaha
Nevada	Nevadaworks
New Hampshire	Quality Care Partners
New Jersey	Atlantic Cape Community College
New York	Per Scholars, Inc.
New York	Restaurant Opportunities Center of New York
New York	Workforce Investment Board of H-M-O
New York	SEEDCO
Ohio	CAMP, Inc.
Ohio	Westside Industrial Retention & Expansion Network
Ohio	WSOS Community Action Commission, Inc.
Ohio	Upper Valley JVS
Ohio	Shore Bank Enterprise
Oregon	Clackamas Community College
Oregon	Terry Swagerty
Oregon	Worksystems Inc.
Oregon	Customized and Workplace Training
Pennsylvania	Home Care Associates
Pennsylvania	Pathways PA
Pennsylvania	District I 1996 Training & Upgrading F.
Pennsylvania	Keystone Transit Career Ladder Partnership
Pennsylvania	Westmoreland- Fayette Workforce Investment Board
Pennsylvania	New Century Careers
South Carolina	Pendleton District Workforce Investment Board
South Dakota	The Evangelical Lutheran Good Samaritan Society
Tennessee	Upper Cumberland Human Resource Agency
Texas	North Central Texas Workforce
Texas	Concho Valley Workforce Development Board
Texas	Project Quest, Inc.
Texas	Capital Idea Capital Investing in the Development and Employment of
Adults, Inc.	
Texas	Work Source of the South Plains
Virginia	Greater Peninsula Workforce Development Consortium
Washington	Pioneer Human Services
Washington	Shoreline Community College
Washington	Workforce Development Council of Seattle-King County

Washington	WA State Dept. of Community Trade and Economic Development
Washington	Skillsource
Washington	Seattle Jobs Initiative
West Virginia	Region III WIB of Kanawha County
Wisconsin	Wisconsin Regional Training Partnership
Wisconsin	Northwest Wisconsin CEP, Inc.
Wisconsin	Workforce Development Board