

INDUSTRY CONSORTIA: A PROMISING NEW MODEL FOR OREGON TALENT DEVELOPMENT

The Opportunity for Oregon

The Legislature's 2022 adoption of SB 1545, Future Ready Oregon, offers Oregon a generational moment to take workforce talent development to a new level. The legislation's greatest immediate impact has been its \$200 million allocation to expand workforce education and training. Those moneys augment existing career-connected learning and apprenticeship programs, fund competitive grants to demonstrate innovative models of workforce and talent development, and pilot new workforce benefits navigators. These investments are distinguished by a focus on expanding education, training, and support for people from historically underserved communities to achieve living-wage careers.

Of equal significance Future Ready Oregon implicitly acknowledges that the statewide talent development *system* – at both state and regional levels – must become more effective in meeting the needs of Oregonians, employers, and the statewide economy over the long term. To this end the legislation identifies the creation of three industry sector consortia – manufacturing, health care, and technology – as a means for partners to work together on talent development and on workforce system improvement overall. Partners include employers, education and training institutions, labor unions, and community-based organizations.

The consortia represent a new model for organizing and driving statewide talent development, which encompasses education from K-12 to PhD level in the education system, and a range of specific occupational skills training offered through schools, apprenticeships, and employer training programs. The potential of Future Ready consortia makes it imperative to organize and launch them successfully, a process that is now under way through the leadership of the Higher Education Coordinating Commission (HECC). Oregon is counting on these consortia not only to meet the needs of the manufacturing, health care, and technology sectors, and not only to expand equity and opportunity, but also to serve as a model for other industry sectors in forming their own consortia or similar partnerships.

The Stakes in Consortia Building

It's important for industry sector consortia to flourish in Oregon because the stakes are significant. A high-functioning talent development system spurred on by industry consortia is essential to help Oregonians achieve job security and their individual aspirations, to meet the evolving skill needs of employers, to strengthen the diversity of the workforce, and to sustain regional and state economic competitiveness.

Building these consortia represents an inflection point for rethinking and reshaping a workforce system that has struggled to keep pace with significant workplace changes in recent decades. These include increased automation, off-shoring of jobs, increasingly higher skill demands, an aging workforce, the rapid advance of artificial intelligence, and the stresses of chronic understaffing on organizations and their employees.

These changes magnify the challenge of talent development.

- Rising skill requirements are putting many quality jobs out of reach for job seekers.
- Employers across the board are struggling to find and retain qualified talent.
- Adults displaced by changes in the labor market are unable to access the support and additional education they need to seize new opportunities.
- Persistent barriers to job readiness, job training, and career advancement prevent success for many workers from historically underserved communities.

- As a result, significant inequities persist in education attainment, occupation training and readiness, income, and career advancement.

The System Challenge

Throughout the nation, including Oregon, there are significant system disconnects and gaps which make it difficult to address the talent development challenge noted above. Industry sector consortia are a promising way to take on these shortcomings, which include the following:

- Often there's too little collaboration between education, workforce training, and industry sectors. Not only do these parties operate too often in isolation, they also aren't structured for continuous communication or a broader regional, state, or industry perspective on talent development. As a result, schools or industries may reach out to one another in the form of one-off program arrangements, but only for a limited purpose or time, with little strategic or long-range purpose.
- Many businesses don't invest sufficiently in training, and too often don't engage or collaborate with one another or other stakeholders.
- The labor market information system is weak and siloed. As a result, employers don't adequately convey their skill needs, workers don't know what skills they need, educators don't know what skills to design curricula for, employers don't know what skills jobseekers have, and there is no cohesive systemwide credentialing system to serve job placement and advancement. Within this context, students too often know little or nothing about particular career paths or the kinds of jobs those paths lead to.
- Most training programs were not designed in the context of larger, longer pathways and lifelong learning, and wraparound supports for learners are inadequate.

Addressing these and other system gaps will make new demands on the talent development stakeholders noted above. On behalf of learners and job seekers, they will need to be more focused on inclusion, on closer and more sustained relationships with each other, and on improved education and training offerings and processes.

The Role of Industry Consortia

Industry consortia represent a great opportunity for industry sectors to engage deeply both internally and with partner institutions and policymakers to identify and develop the workforce talents they need to compete and thrive.

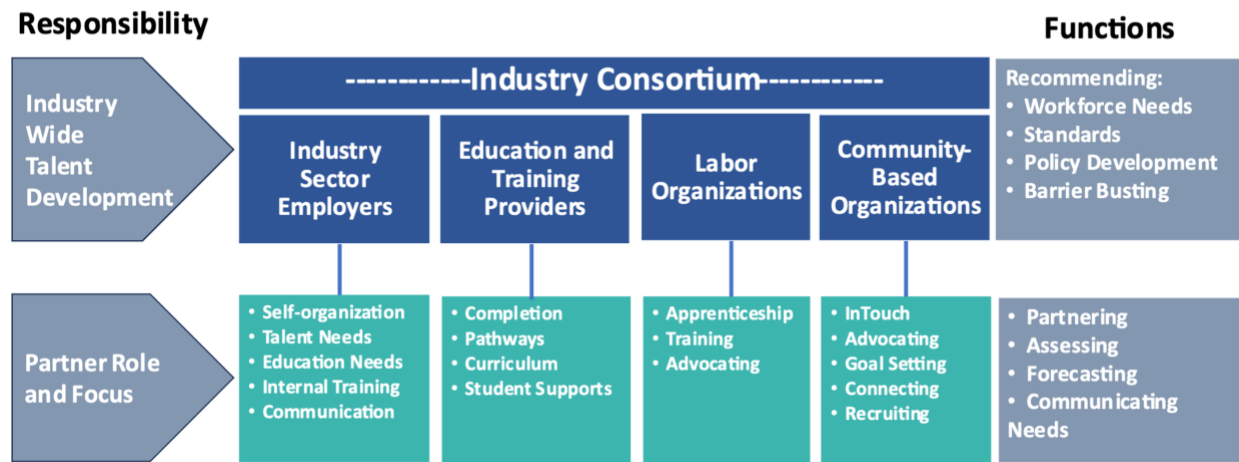
Each consortium's broad function is to develop and advocate policy recommendations to support stronger talent development among learners, jobseekers, and current employees. This includes:

- Assessing and forecasting workforce needs and trends across the industry in a strategic framework
- Recommending education and training standards, programs, and credentialing appropriate to the industry
- Advocating for adequate public investment in workforce talent development that serves industry sectors but also provides equitable opportunities in training, employment, and career advancement to workers.
- Eliminating barriers to student progress and completion and providing students more supports to succeed.

To be effective in this role, each consortium must be recognized and empowered by state government to have an upstream role in recommending and influencing the development of workforce talent goals, standards, credentialing, access and support policies, and budgeting of public funds to accomplish those purposes. Moreover, the consortia model enables sectors to collaborate on common talent

development issues and, where efficiencies are possible, to share resources on matters such as branding and communication.

Industry Consortia Organizational Concept



Key Roles and Responsibilities of Consortia Partners

Taking the talent development system to a higher level of effectiveness through consortia will demand more organizational focus of all partners within their own sectors, especially industry employers, but also education and training institutions, labor unions where they have an industry presence, and community-based organizations. Actions required will typically be common across each sector or the state as a whole, but should allow for differences in partnerships and their arrangements at the local or regional level.

Employers. As a way to support existing industry consortia – or to start new consortia where none exist – employers in each industry should organize themselves to better understand and advocate for their common workforce talent needs. Inside their own companies they must become better organized to assess their own talent development needs and then share that assessment across their industry sector. As a corollary to such assessment, they must contribute as an industry sector to development of education and training goals and standards, curriculum, and credentialing. They must become more engaged with talent development in public education and training systems as well as in their own organizations. This includes apprenticeships, on-the-job-training, and support for individuals pursuing postsecondary studies. They must invest in upskilling their existing employees. And they must collectively become stronger long-range partners with other players: education institutions, the state workforce system, and community-based organizations. Industry self-organization of this scale will greatly contribute to the success of existing consortia, and it will lay the foundation for establishing new consortia in the case of industries where none have been formed but are needed.

Education and Training Institutions. These organizations must become more focused on student support and completion as a corollary to their education offerings. As part of that they must forge better connected learning pathways to occupational skills and employment. The foundational and professional skills that they teach must support lifetime work. They must expand career-connected learning (especially STEAM and CTE programs) along with mentoring and career advising, development of high-quality microcredentials, short technical-training programs, and higher education degree attainment. They must create new delivery frameworks. That includes, building flexible programming that adjusts to

changing conditions, expanding the availability of wrap-around services for learners, and creating youth apprenticeships and other “earn and learn” models.

Labor Organizations. Where unions have a presence in an industry sector, they should be at the consortia table as partners in apprenticeship programs and other training, and as advocates of employee skill needs and roles in the workplace.

Community-Based Organizations. These organizations, typically nonprofit and service oriented, are trusted partners of their constituent communities who stay close to community needs and aspirations, and advocate for the community as a whole and for individuals within it. Many organizations provide workforce education and training for their community members. They must help develop consortia goals and strategies to diversify the industry’s workforce, raise awareness of career pathway opportunities, communicate community needs and barriers created by the system, and assist in recruiting and guiding community members into family-sustaining careers.

Creating Additional Industry Consortia

Future Ready Oregon provides a ready model for partnership in the service of talent development. As specified in the legislation and undertaken by the HECC, three statewide consortia are now being established to represent the healthcare, manufacturing, and technology industry sectors. They will build strategic partnerships, address mutual industry goals, identify industry specific workforce needs, develop targeted recruitment strategies, and promote workforce development programs and activities.

Experience in building out these three statewide consortia will inform the development of workforce consortia for other industry sectors. In fact, several successful models of sector-focused talent development partnerships have formed in Oregon, including Hillsboro Advanced Manufacturing Workforce Partnership, a regional effort focused on the semiconductor sector, and the Oregon Clean Energy Workforce Coalition, focused on the clean energy sector.

How additional industry consortia will be formed and launched is an open set of questions, in particular 1) who will convene stakeholders to form a consensus that a consortium is needed? 2) who will then organize consortium? 3) how will its staffing and maintenance be funded? and 4) how will it carry out its advocacy to recommend policy making, barrier busting, and government investment in the service of talent development? The HECC carries out the bulk of these needs for the consortia specified in Future Ready Oregon. Local government supports the partnership in Hillsboro. Energy utilities have stepped up to form the clean energy coalition.

A further question is how statewide consortia should interface with local workforce development partnerships, like those mentioned above. These partnerships naturally evolve in communities where employers and local organizations know one another, have a history of working together, and tend to work out arrangements to suit their particular circumstances and requirements. At a minimum they should be compatible with the talent expansion and equity goals of Future Ready Oregon, but just as importantly, they should inform and strengthen one another. In some cases for an industry sector they might have formal and regular communication in both directions, or local partners might also be members of a state-level consortium.

No matter how state-level consortia come together, the essential point is that they show great promise for taking workforce talent development to a new level in Oregon, creating more equitable opportunities and clearer pathways for Oregonians to jobs and careers, a stronger statewide talent pool, greater productivity and competitiveness among various industries, and better education and training tied to skill needs.