Regions target growth and opportunity by enhancing their talent supply chains

To realize its full potential, a growing regional economy needs a system that can deliver the right workers with the right skills to the right place at the right time. Although that kind of skills development system has yet to reach maturity in any one region, there are promising efforts under way that are gaining support from the business community, thanks to regional job growth partnerships expanding their purview.

That is a key finding of a study I conducted of 10 regions participating in the Brookings-Rockefeller Project on State and Metropolitan Innovation, an effort designed to advance a new model of economic development that promises better results for more people and communities.

A defining feature of the skills development systems that are emerging in those 10 regions is they are demand driven. That is, they start with the hiring and skills needs of area businesses, then mobilize education and training providers to more effectively meet those needs. That approach is a departure from traditional workforce development programs that have focused primarily on the supply side, helping certain disadvantaged groups...
get a foothold in the labor market.

Another defining feature of the emerging systems is that they are tailored to the needs of the regional economy and deeply anchored in relationships with actual employers, rather than designed to meet the narrow guidelines and funding constraints of public training programs.

Although the workforce development field has been moving in this direction for the past decade, early sector-based programs had difficulty getting and keeping business-led organizations actively engaged in those efforts. That appears to be changing as business-led regional partnerships confront skills gaps and shortages in the sectors targeted in their regional growth strategies, spawning a new wave of sector-based, skills development initiatives and intermediaries.

For example, a key element of World Business Chicago’s Plan for Economic Growth and Jobs is the new intermediary organization, Skills for Chicagoland’s Future, designed to provide leadership to the region’s emerging demand-driven skills development system.

Similarly, the Greater Memphis Alliance for a Competitive Workforce is the key component of a regional growth strategy developed by a partnership of government, business, economic development, and civic leaders in Memphis. This homegrown effort, now just getting off the ground, has secured over $10 million in combined private sector, state, and federal funding to strengthen the pipeline of workers to meet the needs of employers in key sectors.

In Kentucky, the focus on manufacturing that formed the basis for the Bluegrass Economic Advancement Movement, a regional partnership between Louisville and Lexington, prompted the creation of the Kentucky Manufacturing Career Center, as well as a new apprenticeship model in KY FAME. The Manufacturing Career Center, overseen by over two dozen area manufacturing companies, is designed to create a pipeline of skilled manufacturing workers to support this strategic sector and has placed over 500 workers in two years of operation.

In Syracuse NY, business-led CenterState CEO has joined forces with the philanthropic community, city and county government, education institutions, community-based organizations, and workforce agencies to establish Work Train as a platform for a demand-driven skills development
system. Work Train builds on pilot efforts conducted by CenterState CEO over the past five years, and is part of their comprehensive approach to economic development that integrates business, workforce, and community development in ways that expand opportunity for all.

Other regions are putting similar demand-driven intermediaries in place. And their efforts are now getting a boost from the federal government through the Communities That Work Partnership, designed to improve the effectiveness and accelerate the expansion of these efforts. Participating regions will receive strategic and technical assistance from leaders of peer organizations and from national experts in economic, workforce, and talent development.

Over time, as these new intermediaries mature, they will play an increasingly important role in growing the regional economy, expanding opportunity across the board.

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