

Workforce Development

How is it changing? What's in it for you?

IT USED TO BE that when a company was seeking to relocate or expand its operations, time was the highest priority to ensure that the necessary infrastructure was in place. Now, however, with markets and needs constantly changing, companies must also anticipate the supply and demand of human infrastructure—skilled workers—at present and at least five years hence.

“The nature of work has changed,” says Brian Kramer, program director for workforce development at IBM. “Skilled people are a critical raw material. Further, with the aging of the workforce—the looming impact of baby-boomer retirement and the need to retain their knowledge and skills—the sense of urgency has grown.”

IBM has been providing workforce development services to national, state, and local governments for about six years. In doing so, Kramer's team has developed a methodology that “crisply defines the problem,” as he puts it, highlighting potential groups of employees and needed skill sets that inform specific interventions. The company also participates in public-private workforce development partnerships to train and deliver skilled workers for deliberately identified needs.

For example, in Wisconsin, IBM and Gateway Technical College have joined forces on the IBM Advanced Career Education Program, a technical education program in e-business application development that comprises more than 700

Finding the Right Partner: An Employer Checklist

Once you have identified a likely local employment and training organization, use this assessment to help determine whether you want to invest your time in forming a relationship.

ASSESSMENT: Would this organization be helpful in finding the right people for my hourly wage jobs?

✓ The organization is knowledgeable about my industry. The organization's staff members are eager to learn about my company by visiting and listening to my expectations and concerns and by observing what my employees do. They are interested in

- how my products are produced and how my services are delivered
- my customers, vendors, and competitors
- what it takes for my company to be competitive
- the skills needed by my hourly wage workers
- my expectations regarding employee productivity and behavior on the job
- the type of person who would fit in and be successful at my company

- my hiring process and requirements.
- ✓ The organization's staff members are professional and conduct business with my company's best interest in mind. They
 - communicate in the language of business, not social services
 - offer a single contact at their organization
 - are realistic and honest about the individuals referred for employment
 - return calls and keep appointments
 - keep information confidential
 - work to develop an ongoing relationship with me.
- ✓ The organization offers services that could reduce turnover and increase productivity, such as
 - providing access to good employees who might otherwise be difficult to find
 - prescreening job applicants to ensure a good match

- helping with interview scheduling
- offering new employees assistance that gets them off to a good start
- training applicants and new employees in skills specific to their jobs
- letting me know what's expected of my business and me.

- ✓ The organization provides information and data about their services and results. It
 - has readable marketing materials that tell exactly what services they provide, who to contact, and how to contact them
 - describes accurately the skills that individuals will have after participating in their program
 - can provide reports on the results of their services, including how long individuals stay in jobs in which they are placed.

From an unpublished work by Carol Clymer

hours of instruction. In Venezuela, the IBM Workforce Development Solutions Program has been training 16,000 graduates and 500 instructors over the past five years, in partnership with community colleges and employers, to supply sufficient numbers of computer programmers to work in the oil and gas industry. In India, IBM is working to develop early computer literacy among students in 250 middle schools.

Research strongly suggests that investments in such programs pay off for municipalities. A recent analysis of data from participating countries by the Organization for Economic Cooperation and Development during a 35-year period shows that investments in human capital, such as education and skills training, produce three times more economic growth than do investments in the physical infrastructure. U.S. President George W. Bush has increased the federal budget for workforce development and training from \$5.65 billion in 2001 to \$6.1 billion.

Increasingly, governments are forging partnerships with the private sector to create and deliver workforce development programs. These programs engage multiple stakeholders to define skills and train workers to meet local employer needs. Kramer's team at IBM is currently participating in one such partnership as a member of the Commission for a New Georgia. Created in 2003 by Georgia Governor Sonny Perdue, the commission is an innovative public-private partnership intended to create breakthrough ideas to make the state's citizens "healthier, safer, and more educated." Perdue's stated goal is to make Georgia the best-managed state in the country. As partners on the Commission's Workforce Development Task Force, IBM implemented its patented WFD methodology that was created out of the company's own experiences as an employer. "With 350,000 employees around the world, IBM has developed tools, methods, and processes that can serve as best practices for other companies," says Kramer.

In its comprehensive approach, IBM consultants use component business modeling to create a map of employer labor needs. "We try to understand the needs of industry—strategic, tactical,

and management," says Kramer. That map is then combined with a comprehensive plan for economic development. The resulting matrix helps the consultants identify varying degrees of urgency. Other key parts of IBM's role include bringing key stakeholders to the table and helping to develop guiding principles for WFD efforts.

Most crucial to successful partnerships, however, are accountability and alignment. "We have learned about the greater value proposition, which is the need to align targeted industries, government, and education around common strategy and measures, and to establish an organization that is accountable for that strategy's success that will transcend changes in administration," says Kramer. In its Georgia report, IBM urges the state to develop a private, not-for-profit workforce development corporation that is governed by a board of directors that represents the governor's office, key state agencies, business, and education.

Becoming a partner in workforce development

Although an initiative as encompassing as Georgia's may not be available in your area, there are many successful and credible not-for-profit organizations for workforce development across the country. And there are advantages to private companies for partnering with these organizations. For example, they provide a pipeline to new applicant pools. They are aware of the overall labor market in your area and can help with forecasting. Partnerships expose you to other partner businesses, from whom you can learn. They provide you with the opportunity to get involved in, and help to improve, your community.

WFD organizations provide customized training that can relieve your company's burden of having to provide basic soft- and hard-skills training—everything from business etiquette and keyboarding to English as a second language. And, perhaps most advantageous, they provide follow-up support and counseling to placed workers that aids in employee retention.

Naturally, the quality of the organization you partner with correlates directly

to the success of the relationship. In considering potential partners, there are a number of attributes to look for:

A real understanding of business and its needs.

Although most WFD organizations are not-for-profits, they should speak the language of business. A company's executives should have private-sector expertise. Look for an organization that presents itself professionally, markets its services credibly, and can demonstrate past success.

Also, look for an organization that is informed. The best groups mine current labor market information, network, and bring employer partners together in learning groups and other activities.

Personal attention and accountability. The best partner organizations will assign your company an account executive or other dedicated representative. This person should visit you regularly and provide conscientious follow-up to training programs and employee placements.

A focus on quality. Check with other employer partners. Does the organization ensure that job seekers are well prepared? Does it demonstrate consistent program quality? Do its representatives respond to the business's needs efficiently?

Openness to employer involvement. Do partner representatives sit on the organization's board? Are employers encouraged to volunteer? Are you able to participate in program design and delivery?

A successful workforce development partnership is just that: a partnership. It allows needs to be met on both sides. With the right partner, your company can make valuable community investments that are essential to the development of a skilled workforce.

Editor's Note: This article was adapted from *By Design: Engaging Employers in Workforce Development Organizations*, by Carol Clymer. Part of the Working Ventures series published by Public/Private Ventures, a not-for-profit organization that improves the effectiveness of social policies, programs, and community initiatives.

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