

State Workforce and Economic Development Collaboration

State Economic Development Strategies

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The passage of the Workforce Innovation and Opportunity Act of 2014 (WIOA) created an important opportunity for states to align workforce development activities with their strategies for economic growth. Understanding the challenges and benefits of state-level collaboration is necessary and can inform and improve states' implementation of WIOA and other workforce and economic development initiatives.¹



CHALLENGES OF COORDINATION

State workforce and economic development interests naturally align. Workforce development initiatives can help connect workers to jobs with good wages and benefits, while economic development initiatives help connect firms to a pool of skilled labor. But alignment and collaboration at the state level is challenging because of differences in

- state agency structures
- perspectives on workforce and economic development goals and activities
- funding mechanisms, and
- performance accountability and metrics.

CASE STUDIES IN COORDINATION

State case studies, which include interviews with state and local practitioners, highlight actions that state agencies and stakeholders can take to help drive collaboration. Case studies were completed on the following initiatives and organizations:

- Arkansas Career Pathways Initiative
- California's Sector Navigators and Deputy Sector Navigators
- Pennsylvania's Industry Partnerships program
- EARN Maryland grant program
- Connecticut's Step Up grant program
- Nevada Governor's Office of Economic Development
- Mississippi's State Longitudinal Data System (LifeTracks)

Strategies for State Workforce and Economic Development Collaboration

States can engage in many strategies and methods to foster collaboration between their workforce and economic development agencies.

STRATEGIES THAT FOSTER STATE-LEVEL WORKFORCE AND ECONOMIC DEVELOPMENT COLLABORATION

Strategy	Methods
Supporting collaboration between employers and education providers to build workers' skills	<ul style="list-style-type: none"> ■ Career pathways ■ Education incubators ■ Apprenticeship programs
Uniting behind sector strategies to fill in-demand jobs	<ul style="list-style-type: none"> ■ State sector strategies and industry partnerships
Innovative use of funding to accomplish collaboration	<ul style="list-style-type: none"> ■ Tax incentives ■ Incumbent-worker training programs ■ Braided funding streams
Use of technology and data to connect employers and the workforce	<ul style="list-style-type: none"> ■ Economic development data tools and longitudinal data systems

NEXT STEPS FOR STATES

Taken together, these case studies highlight promising steps that states can take to coordinate workforce and economic development activities. Better coordination and alignment at the state level may be feasible through

- joint planning and programming that supports the mutual goals of state workforce and economic development efforts;
- engaging multiple stakeholders, including businesses, human services agencies, and educational institutions; and
- leveraging the knowledge and resources of employers to support investment in a better pipeline of labor supply and talent.

¹ For more information, see Lauren Eyster and Amanda Briggs, "State Workforce and Economic Development: Opportunities for Collaboration" (Washington, DC: Urban Institute, 2017). <http://www.Urban.org/WorkforceEconomicDevelopment>.