Workforce Development for Economic Competitiveness

Increasingly, cities and city leaders are viewing workforce development as an important local issue. The reasons are two-fold and interrelated. First, cities are grappling with how to aid unemployed individuals whose jobs and industries have fallen victim to economic and sectoral downturns. Second, city leaders are acknowledging that their cities’ future economic competitiveness and long term success is directly tied to the quality and skills of its workforce.

A city’s economic competitiveness used to be a game of attraction, often driven by its ability to offer (among other things) cheap land and large pools of unskilled, but able labor. However, in a global economy, cities around the world are better able to compete on price. Advances in technology and global flows of goods and services allow businesses increased mobility to relocate operations to suit bottom lines.

Today, an able workforce is still vital, but employers are looking for higher-skilled workers, often with some post-secondary education to fill more specialized jobs. As such, an unskilled workforce and lack of mechanisms to upgrade worker skills will negatively impact a city’s ability to retain and grow businesses and attract new investment. A city’s home-grown economic competitiveness is also directly tied to the skills and abilities of its workforce, as these are the individuals that start businesses and drive future innovation.

These factors are leading cities and city leaders to view building and retraining a skilled workforce as a critical economic development issue. According to a recent survey by the National League of Cities, one in three city officials report that their cities have become more involved in workforce development in light of changes in economic conditions.¹ For many cities, this is likely a new policy area as workforce resources typically flow from the federal, state and county levels.

This document provides city leaders with strategies to strengthen their role in the workforce development arena.

KNOW THE STAKEHOLDERS

Workforce development is a complicated policy issue at the local level. It straddles economic development, education, and safety net issues (just to name a few) and is often carried out by the stakeholders representing each issue, often not in conjunction with each other and often with disparate goals. In most cities, there are already a variety of groups simultaneously offering workforce development services.

There is no one-size-fits-all strategy or solution for workforce development. Each city faces unique challenges and situations. For city government to play a constructive role, it is first important to understand the current set of actors and programs and leverage the position of city government to effect change. City activities could be anything from providing financial or staffing resources for a coalition, connecting stakeholders that do not traditionally interact, or aligning city economic development efforts with workforce goals. Whatever the situation is for your city, it will likely not be a case of starting from scratch, but instead working to build connections between various stakeholders and interests to create stronger programs.

The following lists the common stakeholders in local workforce development and their respective roles within the system.

WORKFORCE INVESTMENT BOARDS
The primary workforce body at the local level is the Workforce Investment Board (WIB). WIBs are the central planning authority for federal Workforce Investment Act (WIA) funds and are governed by a board made up of local businesses, educational institutions, unions, and other community leaders. Each area has at least one central location that provides services to job seekers, generally in the form of a Local One-Stop Career Center.

The governance structures for WIBs vary from region to region. For example, in larger cities, the mayor may have the responsibility to appoint members to the WIB; in others a chief county official will have this authority. Often times there will be multiple jurisdictions operating under one regional WIB. Depending on the governance structure, city officials may have little or no interaction with their local WIB.

COMMUNITY COLLEGES
Community colleges are one of the most important local partners in workforce, and one with which many cities already have long standing partnerships. Community colleges focus on building necessary skills across a broad demographic of students. This makes them increasingly more important, as most living wage, stable jobs require some form of post-secondary education. Additionally, community colleges are more adaptive than their four-year counterparts, allowing them to change offerings based on the needs of the local economy, workers and employers.

COMMUNITY-BASED ORGANIZATIONS
Community-based organizations play a vital role in communities and are natural partners for workforce development. These organizations often provide various forms of wrap-around support systems needed by unemployed or low-income individuals. These include programs like affordable or emergency housing, childcare, food assistance or English as a second language courses. These organizations often have strong neighborhood connections and understand the specific needs of different citizen groups. By ensuring that these groups are part of workforce development efforts, local governments can work to make sure residents are connected to needed resources.

ECONOMIC DEVELOPMENT ORGANIZATIONS AND BUSINESSES
Partnerships between economic development organizations, such as a local chamber of commerce, and city agencies are fairly common and probably exist in your city, given that economic development is a primary function of local governments. According to a recent survey by the National League of Cities, “Chamber of Commerce” is cited by city officials as the most common city partner for workforce development. Additionally, city officials report “communicating with local businesses” as the most common workforce development activity for their local government. This is an important area of engagement in any city, as businesses are the source of local jobs and can provide insight on the needs or gaps in the current labor force.

There are signs that cities are taking actions to further integrate city economic development programs within broader community workforce development activities. According to a 2010 survey by the International Economic Development Council, 50 percent of respondents reported that their communities have restructured agencies and organizations to align efforts between workforce and economic development. According to the survey, this is a trend that is likely to continue, with 42 percent considering alignment in the next two years.

TAKE ACTION
ASK QUESTIONS AND LISTEN
For cities and city leaders beginning this work, the first step is often to start asking questions, gathering information and identifying the key stakeholders. Who in your city, county and region is involved in workforce development? How does your city interact with your workforce investment board and local one-stop career centers? Local community colleges? Non-profits and community based organizations? Does your city regularly communicate with the local business community about its current and future workforce needs?

UNDERSTAND THE NEEDS OF YOUR REGIONAL ECONOMY

Like all policy issues, workforce development does not exist in a vacuum, and programs that are not attached to the reality of a regional economy will not bring lasting economic success. Your city’s economic development agency is an important partner in this arena. It is responsible for understanding your city’s economic strengths and weaknesses and the pulse of the business community. Working with your economic development agencies may also lend legitimacy to your workforce efforts with the local business community.

As stated earlier, most city leaders have opportunities to engage with the business communities, either in one-on-one constituent services or in coordinated events by a local economic development organization like a chamber of commerce. In these situations, it is important to include questions about workforce development. Answers to these questions will provide information about economic and workforce development opportunities as well as potential challenges.

WORK WITH YOUR WIB

Although city officials may not have a formal role within the WIB, they can strive to educate themselves, weigh in and build a partnership. The way a city official does this can vary from location to location. For example, the chief local elected official of a single city workforce area with a strong executive may choose to guide and direct the program without input from other elected officials. In contrast, the elected officials of a council form of government may choose to establish a board of local elected officials to implement the WIB responsibilities. In other cases, local officials can actually serve on the WIB, providing a direct link between the WIB and city government. Regardless of the governance structure, the local workforce plan that is developed by the WIB is a public document, and every elected official has the right to review and comment on the plan.

BRING PEOPLE TOGETHER

Once all the players and programs are identified, city officials can play the important role of building connections and partnerships. Although many of these stakeholders work on similar issues, they often approach these issues from different perspectives (for example a local non-profit and a local chamber of commerce). Additionally, many of these stakeholders may be competing for the same pot of federal or state dollars. City officials have the political capital and power to help get these groups into the same room, move past differences, start conversations and begin working towards common goals.

BE A CHAMPION

As a city leader, you have the power to be a champion for workforce development in your city. By making workforce development an important policy issue, whether in public speeches or other interactions with media and constituents, you raise attention to the issue and bring additional legitimacy to your city’s efforts.

PROVIDE INFORMATION

City government and city leaders are often the first call from a constituent looking to solve a problem. For a citizen who has lost a job, you as a city leader do not necessarily need to have all the answers. It is important, however, that you know how to connect your constituent with career services and training resources available in your community. For example, you can assign a staff person to be the main point of contact within city hall or use your city’s website to disseminate information about available services and resources.

EXAMPLES

NEW YORK CITY (POPULATION 8,308,163)

In 2003, Mayor Bloomberg merged the New York City workforce program with the Department of Small Business Services in an effort to link workforce development with economic development initiatives. As a result, the Workforce1 Career Centers operate under a single agency that meets the needs of both businesses and job seekers. These centers accomplish these goals by providing targeted job training, career counseling, job placement and other professional development services. By operating under the umbrella of the Department of Small Business Services, the Workforce1 Career Centers are now able to provide services that are directly linked to the needs of the business community. In 2009 alone, New York City made more than 25,000 job placements, with 2,580 of those being high quality jobs ($15/hour or more) and served over 12,400 businesses. For more information visit www.nyc.gov/sbs.
REGION OF HAMPTON, NEWPORT NEWS, POQUOSON, YORK COUNTY, JAMES CITY COUNTY AND WILLIAMSBURG, VIRGINIA (POPULATION 454,862)

In 2001, the Peninsula Workforce Development Center was created with funding from the Virginia General Assembly and six local municipalities. Today, this regional center houses Thomas Nelson Community College’s workforce training programs, Old Dominion University’s Peninsula Higher Education Center, the employment programs of the Virginia Employment Commission and the Peninsula’s One-Stop Career Resource Center. The facility provides workforce training and employment programs to the entire Virginia Peninsula Community, serving everyone from high-tech companies moving to the peninsula, to existing businesses seeking to improve workers’ skills, to individual job seekers faxing a resume. One unique governance structure that has enhanced the region’s ability to align its workforce development with economic development has been the creation of the Peninsula Council for Workforce Development. The council, which serves as staff to the local Workforce Investment Board and oversees the One-Stop Center, effectively creates a “Regional System” that enables each partner to leverage key resources and ensures all Greater Peninsula businesses access to a talented workforce. For more information visit http://www.pcfwd.org/.

GARLAND, TEXAS (POPULATION 238,651)

In 2005, the Garland Chamber of Commerce and Richland College Garland Campus (the local community college) joined forces to provide the local manufacturing community with the best possible opportunities to grow, compete and succeed in the global marketplace. To create a seamless relationship, the Garland Chamber opened an office within the community college, which allows both groups to work side by side and coordinate everything from daily problem solving to setting long term goals. As a direct result of the partnership, the Garland Chamber formed the Dallas County Manufacturers’ Association, which works directly with a college liaison to provide members with an extensive array of training programs. Since its creation, the partnership has grown and now includes the city of Garland, the Garland Independent School District, Workforce Solutions for Greater Dallas and the Dallas County Community College District. For more information visit http://www.garlandchamber.com/.

ABOUT THIS PUBLICATION

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Through its Center for Research and Innovation, NLC provides research and analysis on key topics and trends important to cities, creative solutions to improve the quality of life in communities, inspiration and ideas for local officials to use in tackling tough issues and opportunities for city leaders to connect with peers, share experiences and learn about innovative approaches in cities.