



Baltimore County Workforce Development Board

Strategic Direction Planning Retreat
March 3, 2016



Characteristics of Successful Workforce Boards



Characteristics

- Mission-Driven
- Industry-Engaged, Informed, and Led
- Flexible Structure
- Clarity between Board and Management about Strategy and Operations
- Clear Performance Metrics



Mission-Driven

- WIA or WIOA, we still have a two part mission
 - Assuring that the business community has a workforce that will allow them to stay competitive in the global marketplace;
 - Assuring that the citizens of our region have access to career pathways that lead to family-sustaining job.



Industry-Engaged, Informed, and Led

- Industry is the end user of the qualified workforce that we recruit, train, and place;
- They need to be at the table constantly, telling us what they need; and
- We need to listen to that advice.



Flexible Structure

- Minimalist when it comes to structure;
- Meetings need to be more than report-outs; if we asked people to come to the table, it's for a reason (and it's not to hear reports);
- Board members should not be doing staff work.



Clarity between Board and Management about Strategy and Operations

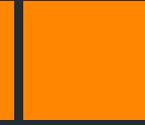
- Boards define the mission and vision as well as the limitation for management action and performance expectations;
- Management takes care of operations and moves programs toward the vision.



Clear Performance Metrics

- We need to decide at the beginning of a plan or project how we know that we have been successful;
- Metrics should not be processed-oriented but rather outcome-oriented; what changed as a result of the intervention that we have made?

Questions





An Introduction to Industry Clusters



What is an Industry Cluster?

“A cluster is a geographically proximate group of interconnected companies and associated institutions in a particular field, linked by commonalities and complementarities.”

Michael Porter



Cluster Components

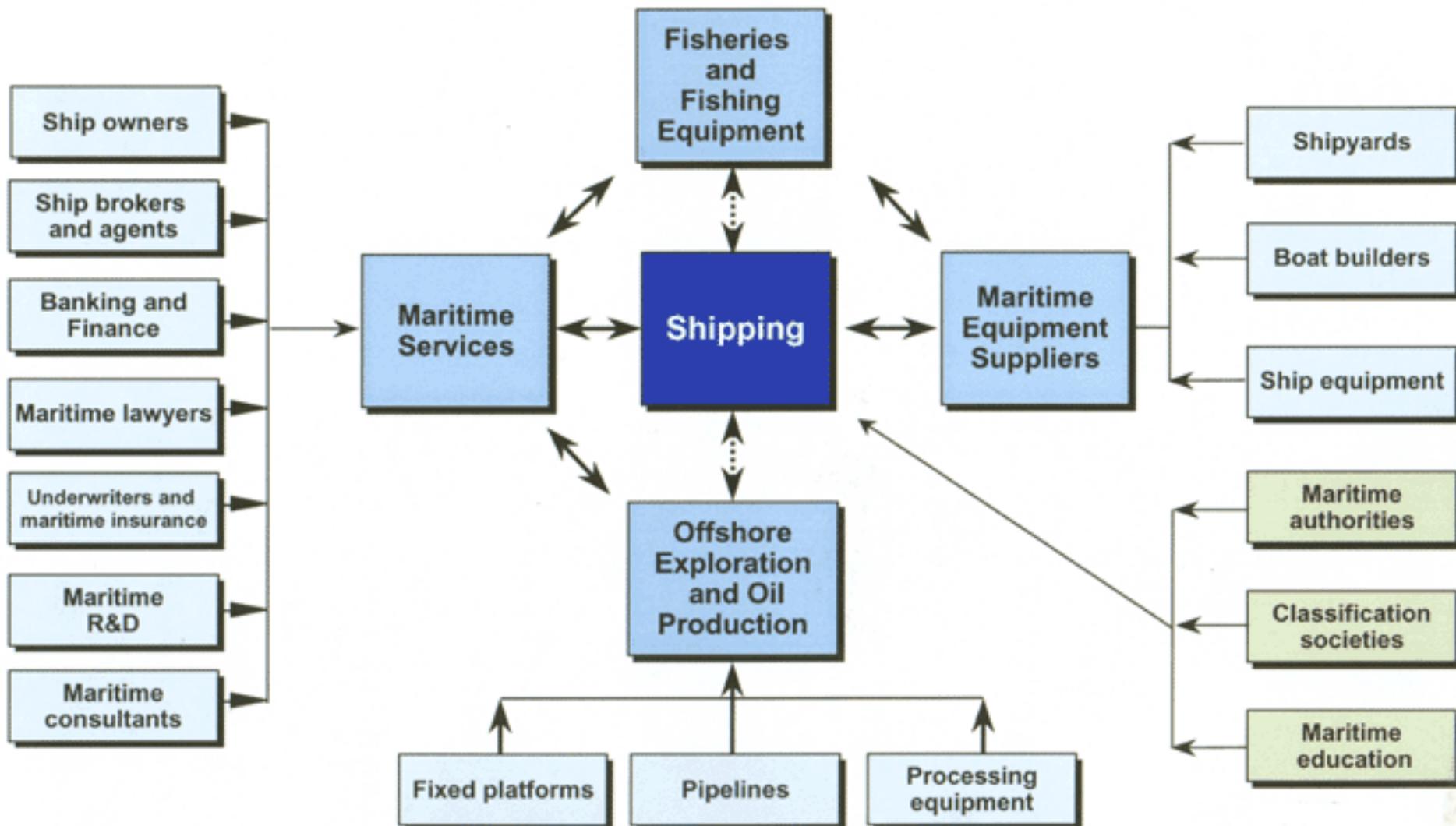
- End-product or service companies;
- Suppliers of specialized inputs, components, machinery, financing and services;
- Firms in related and downstream industries (channels, distribution networks, customers);
- Producers of complementary products;



Cluster Components

- Specialized infrastructure providers;
- Government and other institutions providing specialized training, education, information, research, and technical support;
- Standards-setting and influential government agencies;
- Trade associations and other collective private sector bodies.

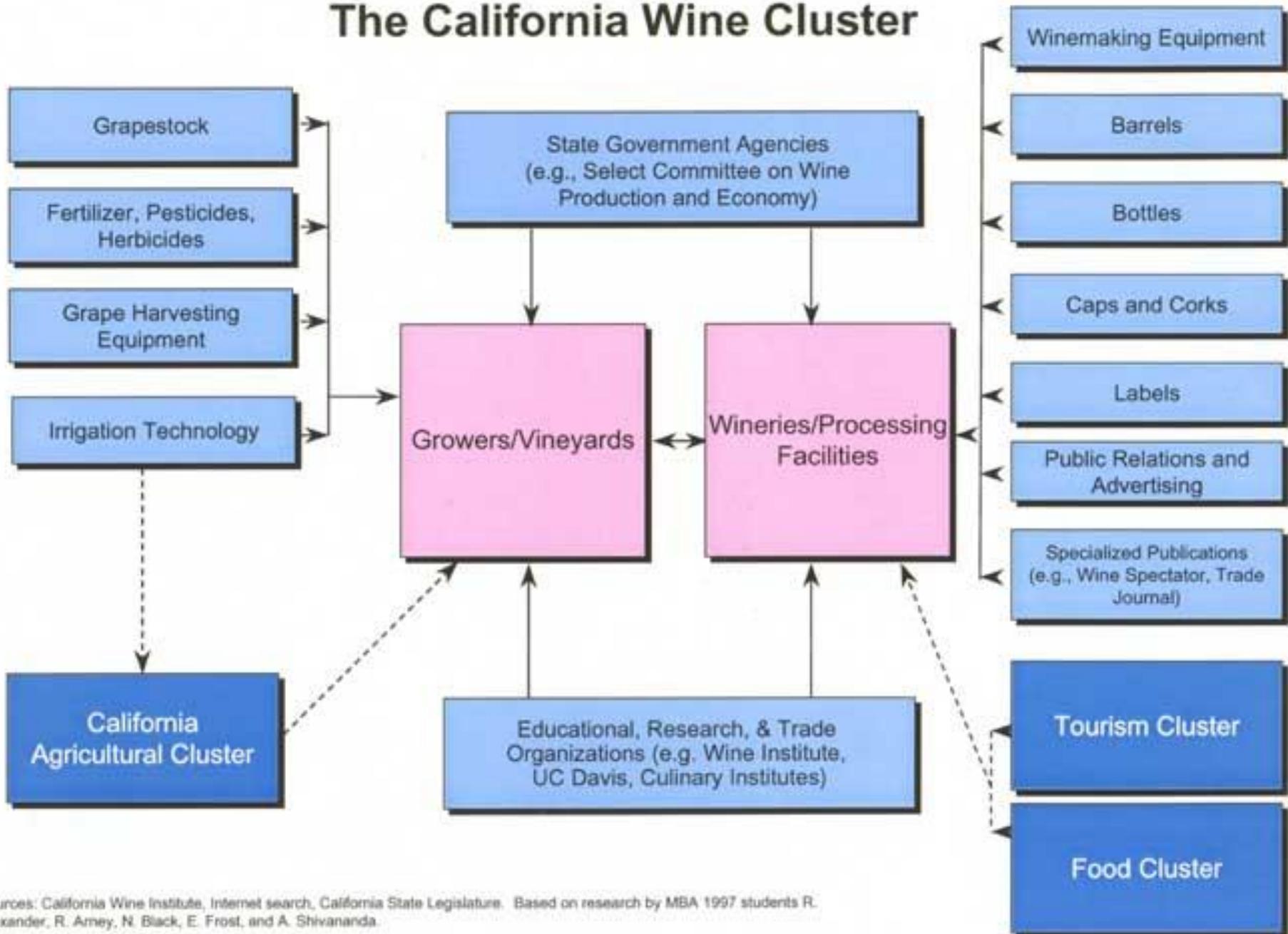
The Norwegian Maritime Cluster



- Norway has 0.1% of the world's population, represents 1.0% of the world's economy, yet accounts for 10% of world seaborne transportation

Source: Sven Ullring, presented to M.I.T.

The California Wine Cluster



Sources: California Wine Institute, Internet search, California State Legislature. Based on research by MBA 1997 students R. Alexander, R. Arney, N. Black, E. Frost, and A. Shivananda.



Sources of Competitive Advantage

- Business environment (taxes, supportive infrastructure);
- Location;
- Local infrastructure (roads, utilities, communications);
- Knowledge base (workforce, education system);

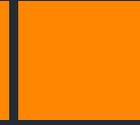


Sources of Competitive Advantage

- Local markets;
- Intense local rivalry with competing firms;
- Variety of local suppliers and other inputs to the core industry;
- Skilled local workforce that is attuned to the needs of the industry.

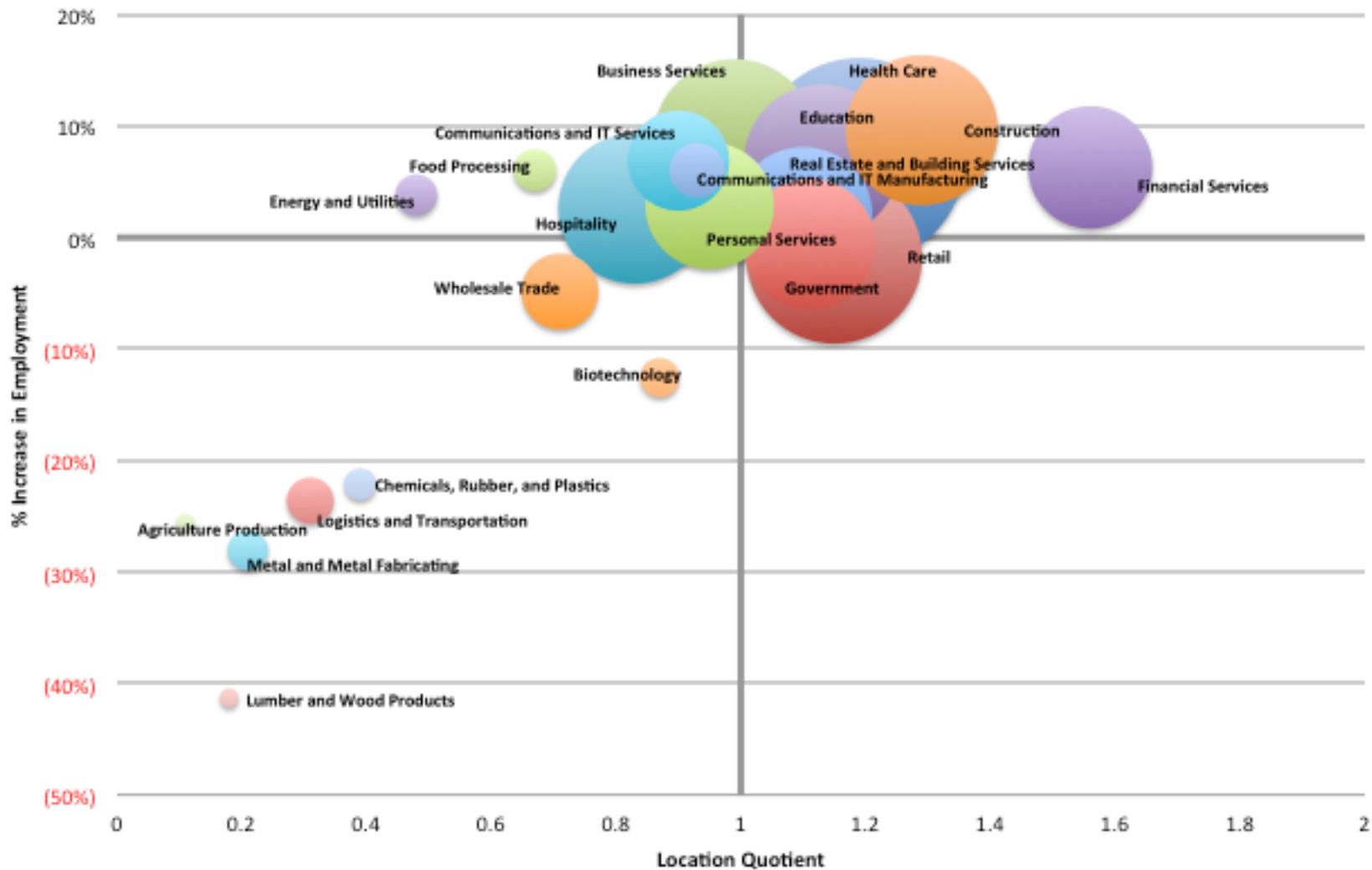
Questions





Looking at Cluster Data

Industry Clusters in Baltimore County, MD





Statistical Measures (Metrics)

- Employment and change in employment in an industry;
- Location quotients and change in location quotients;
- Shift share analysis;
- Payroll per employee by industry and change in payroll per employee.



Industry Priorities

- Increases in employment;
- Location quotients in excess of one;
- Employment increases as a result of local competitive advantages;
- Increases in payroll per employee.



Data to Information to Intelligence

- Clusters need to be data driven;
- The data provides information that leads to organizing the employers in the cluster;
- Engagement in data analysis is the first way to engage employers;
- Data must be validated by employers to be credible



Successful Cluster Initiatives

- Shared understanding of competitiveness and the role of clusters;
- Private sector led with government participation;
- Focus on removing obstacles and easing constraints to cluster upgrading (rather than seeking subsidies or limiting competition);
- Encompass (over time) all clusters in a region;



Successful Cluster Initiatives

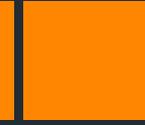
- Appropriate cluster boundaries;
- Wide involvement of cluster participants as well as associated institutions;
- Attention to personal relationships to facilitate linkages, foster open communications, and build trust;
- A bias toward action;
- Institutionalized by the private sector.

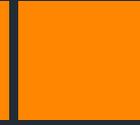


Transportation, Distribution, and Logistics Cluster

- Identify the competitive advantage(s) of the cluster;
- Consider merging with Wholesale Trade cluster;
- Think regionally;
- Think intermodal;
- Think automation:
- Closely examine production, administrative support, sales, and other career pathways for compatible occupations.

Questions





Implementing Sector Strategies



A Strategic Point of View

- Build an Investment Strategy into the Strategic Plan of the Board;
- Communicate the Strategy to all levels of the system;
- Start driving contracting toward the Strategy;
- Dedicate funding streams toward the Strategy;
- Reinvent the One-Stop System.



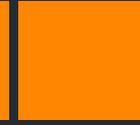
New Tactics

- Think across artificial boundaries, more regional;
- Scale is important (too small, too big);
- Include occupation and technology into your industry matrix;
- Use industry intermediaries to get started;
- Listen to the industry;



New Tactics

- Know more about the industry than anyone else, take advantage of labor market information, get into the field;
- Be the broker or facilitator for the needs of the industry which may or may not include the workforce system;
- Bring the assets of the workforce and one-stop system to bear where appropriate;
- Help industries connect with schools.



Takeaways



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