



**Executive Summary** 

# THE HIGH ROAD TO ECONOMIC PROSPERITY

An Assessment of the California Workforce Development Board's High Road Training Partnership Initiative

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# **Executive Summary**

In June of 2017, the California Workforce Development Board (CWDB) launched the High Road Training Partnership (HRTP) initiative demonstration project. It was designed to establish a workforce development framework in which partnerships of industry leaders—employers, workers, and representatives from unions—work together to ensure that, in a state as economically prosperous as California, employers have a skilled workforce and increased market competitiveness and the workforce has ample opportunities for economic mobility.

Through an initial eighteen-month, \$10 million investment from the CWDB, an HRTP—an industry-based, worker-centered training partnership—was formed, refined or expanded in each of eight sectors: healthcare, hospitality, transit, freight, water and wastewater, building operations, public sector, and transportation, distribution and logistics.

The HRTPs provided an infrastructure of support in which industry leaders work collaboratively to address industry and workforce needs in real time. Each HRTP was tasked with developing and achieving goals in three areas:

- > Equity: building economic opportunity and mobility for workers who have been marginalized, disadvantaged, and/or otherwise denied opportunity to quality jobs.
- Climate: increasing community resilience and environmental sustainability in the face of climate change.
- Job Quality: strengthening California's economy for its high road employers by increasing employees' opportunities for and access to quality jobs.

The UCLA Labor Center conducted a process evaluation that provides a macro-analysis of the successes and challenges that the eight HRTPs experienced during the initial eighteen-month period as they worked to develop partnerships and programming that address economic inequality, climate change, and job quality.

## Key Findings

### HRTPs offer a more inclusive definition of industry leadership

The true value of the HRTP lies in its collective structure and the collaborative role of its participants. In a space that is usually reserved for employers, workers share their expertise and articulate their goals for themselves and their industries, setting new parameters for industry management. The difficult questions that firms face are answered with interventions that address the needs of the workforce as well as management. Employers gain highly skilled and loyal workers, which contributes to the firm's competitive advantage and simultaneously improves social prosperity. Having all decision makers at the table secures win-win results that are good for everyone.

### **HRTPs** build collective power

HRTPs reallocate power so that all parties—employers, workers, labor representatives, and community members as well—benefit. This increases the collective expertise and capacity of the partnership and secures long-term commitment to win-win solutions. When frontline workers share their on-the-ground knowledge, for example, solutions are developed that not only meet industry demands but also make practical and operational sense for workers. When employers share their knowledge of their industry and labor market trends, the interventions that are designed will meet current and future needs, allowing a firm to improve its foothold in the market.

### HRTPs place systemic issues like racial inequality at the forefront

Public workforce development programs—programs funded by state government—have been slow to adapt to an increasingly diverse population. A consideration of race is usually incorporated into public programs as a diversity requirement or goal, but merely having a diverse pool of training participants does not address the problems that keep historically marginalized populations from accessing and successfully participating in these programs: hiring biases based on race/ethnicity, immigration status, and language barriers, for example. HRTPs start by identifying inequalities, such as misalignment between local demographics and the race/ethnicity of training program participants and of employees in low-wage jobs. The workforce development interventions that are designed to address the misalignments include policies and practices that will sustain workers in the long term. These solutions can be extended to unions, firms, and industries across the state.

### HRTPs offer an innovative model for workforce development that is responsive to change

HRTPs are continuously experimenting, learning, and refining their interventions. Because decision makers from each sector are at the table, HRTPs enable firms to respond quickly to urgent problems like economic downturns and the impact of climate change. HRTPs meet regularly to identify industry needs, allowing firms to shift quickly to new priorities with the reassurance that the solutions they develop will meet the needs of employers, workers, and the communities in which they live.

### The HRTP framework advances a shift in workforce development assessment

The traditional metrics used to evaluate workforce development are often quantitative, which means success is usually determined by counting the number of job placements. Such assessments may not take the quality of the job into account, for example. Qualitative measures are less often used, but they are better suited for evaluating success that is associated with the enactment of policies that improve workers' economic stability and wealth, the elevation of the worker's voice in decision making, and the promotion of worker-focused systems change within the firm.

### Recommendations

### Strengthen the HRTP model

- To improve outcomes in workforce development programs, promote the HRTP model as a regional skills-building approach that should be implemented statewide.
- To promote and expand the use of the HRTP model and to provide support to new HRTPs, position existing HRTP demonstration project partners as HRTP experts.

- > To reach communities that are typically underserved by the workforce development system, increase engagement with community-based organizations, such as worker centers, that already work successfully within these communities.
- > To extend the benefits of the HRTP, partner with communities of practice (groups of people who share common concerns and come together to fulfill individual and/or group goals) in underresourced areas that are interested in adapting the HRTP framework and that can provide a space to foster connections, lift up best practices, identify region-specific resources, and share knowledge in developing comprehensive solutions.
- To determine how best to measure the impact of HRTPs, continue to conduct implementation assessments of labor and management partnerships and training programs. A robust evaluation framework should include quantitative and qualitative measures that capture the value of working in partnership while documenting challenges and successes in increasing job quality, racial equity, and wealth building.

### **Increase HRTP adoption and implementation**

- To help prospective partnerships better understand how to adopt the HRTP framework, adjust the grant application to match the framework components—partnership formation and equity, climate resilience, and job quality goals—and create an onboarding plan that helps HRTPs refine their project goals and identify short-term objectives that will make long-term goals attainable.
- To help HRTPs navigate the process of forming the partnership and building capacity to make progress toward their goals, provide ongoing technical support.

### **Assure HRTP sustainability**

- > To promote the HRTP framework across the public workforce system, prioritize HRTPs by realigning workforce development funds.
- > To support HRTP goals, prioritize support to employers that are improving their capacity to invest in high road workforce development policies and practices, especially those in low-wage industries.
- > To increase HRTP funding, create a network of philanthropists to support pilot programs that in the short term can meet the needs of individuals who experience high barriers to program participation while planning for eventual long-term systems change in the workplace.

### **Promote workforce system alignment**

- > To secure equity and positive outcomes for underserved workers and communities, create alignment between the HRTP initiative and the workforce development system by reaching out to local workforce boards, American Job Centers of California (AJCC), and other organizations that share HRTP goals.
- To create better alignment between the community college system and training programs that meet employer and disadvantaged community needs, partner with the California Community College Chancellor's Office.

- To advance the high road framework, develop a relationship with local workforce development agencies and create a template agreement that can be adapted to local efforts like infrastructure projects. This would be similar to a Project Labor Agreement, but it would incorporate provisions for climate change, equity and job quality standards, and other indicators linked to the high road framework.
- > To incentivize adoption of the HRTP model by small businesses, minority-owned businesses, and worker cooperatives, identify partnership pilots and other discretionary programs that can be leveraged.



