



# Oregon Workforce System Performance Measures: Targeted Sectors Summary Report

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## Overview

In 2013, the Governor's Office and Oregon Workforce Investment Board (OWIB) asked the Oregon Employment Department to develop and implement a series of new workforce performance measures to meet the needs of the evolving workforce system. A total of nine measures have been identified. This paper provides analysis and recommendations related to the targeted sectors measure.

## Targeted Sectors Work Group

**Lead:** Gail Krumenauer, Oregon Employment Department

### Other Members:

Department of Community Colleges and Workforce Development: Shalee Hodgson, Karen Humelbaugh, Todd Nell; Department of Human Services: Jennifer Bell, Belit Burke, Alma Estrada; Local Workforce Investment Boards: Pam Ferrara, Nick Knudsen, Robin Onaclea-Scott; Oregon Business Development Department: Lisa Ansell; Oregon Employment Department: Robert Brown, John Glen, Jeff Hughes, Graham Slater

## Definitions

**Targeted Sector:** an industry identified as key to the local economy because of its size, concentration of employment, current or future growth opportunity, high-wage employment, or some other reason (or a combination of these and other reasons).

## Targeted Sectors: The Issue

One of Oregon's new workforce system performance measures focuses on the degree to which the needs of businesses in identified "targeted sectors" are met. Conceptually, if the workforce system specifically commits to targeting or prioritizing certain industries, businesses in those industries would experience some higher level of service: training targeted to their industry needs; workforce system staff with a high level of industry understanding; referral of highly qualified job seekers.

Previous efforts to set performance measures for sector strategies focused on the trends in total employment for a particular sector. This work group believes that to be an inadequate measure of Local Workforce Investment Board (LWIB) and system performance. The group's reasoning for this position is twofold:

- Many LWIBs prioritize sectors, such as manufacturing, with generally declining employment over the long term. Efficiency gains and mechanization allow some of these employers to produce the same or larger amounts of product with fewer actual employees. Yet those industries may be essential to an area's economic health and





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may need new or higher skills that may be difficult for employers to readily find in the existing workforce.

- With the exception of health care, total sector employment is driven to a larger degree by economic expansion and contraction associated with the business cycle than by the targeted efforts of an LWIB. Evaluating an LWIB's success in sector engagement by total employment overlooks their efforts at the ground level. Simply measuring total employment incentivizes LWIBs to specifically choose health care for its employment gains, rather than considering any sector that would benefit from workforce system support.

## Targeted Sectors Work Group Solution

This work group has been asked to establish a framework that allows flexible and locally driven methods to determine the effectiveness of LWIBs in engaging with their targeted sectors to meet employer needs. Important factors presented to the work group for consideration in the plan include: different sectors among the various local areas; the inclusion of targeted job seeker populations in targeted sector planning; and the ability for local area workforce boards to customize the work on which they're measured. These criteria form the foundation for our alternative to total employment as a targeted sector measure.

With the performance measure needs and the work group charter in mind – and the direct input of LWIB staff at the forefront – the group has developed a hybrid process- and outcome-based strategy for identifying the priority industries, engaging with them, and meeting their needs. Our plan adapts and expands upon the Columbia-Willamette Regional Workforce Collaborative's five-phase plan for targeted sectors (<http://www.workforcecollaborative.org/industry-engagement>).

## Targeted Sector Performance Measure Recommendations

The attached single-page project management and reporting tool serves as a guide for LWIBs to follow throughout the life of their sector strategy plans, and a tracking report to ensure progress towards OWIB's requirement for engagement with employers in priority industries. The reporting tool includes six performance goals that must be met, steps that must be completed to meet the goals, and a customizable set of items for consideration to complete each step. The sixth performance goal includes detailed tracking of job seeker placements and training- and employer-related outcomes.

The Workforce Performance Measures Targeted Sectors work group recommends:

1. LWIBs use one copy of the single-page reporting tool for each targeted sector.





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2. LWIBs establish sector strategy plans on a biennial basis, with the latitude to justify customizing the starting quarter and number of quarters for each sector's strategy.
3. Each quarter the local workforce board completes one report and brief, linked narrative for each sector and submits it to Oregon's Performance Reporting Information System (PRISM). Reporting tool items may be expanded or modified, but all steps and goals must be completed by the agreed-upon quarter.
4. PRISM automates a lookup of the current reference quarter and corresponding goal. Each sector is tallied as a yes/no for being on schedule or complete.
5. OWIB receives a quarterly total of the number of sectors progressing on schedule (e.g., 26 of 28 are on schedule or complete). For more details, the one-page report and brief companion narrative provide additional information.

## Quarterly Reporting Tool Benefits

The targeted sectors work group sees several advantages in the recommended quarterly reporting tool. The local workforce board representatives appreciate the single-page report's usefulness in their daily sector strategy activities, rather than a submission that creates busywork. The planning framework also moves all LWIBs towards broad, common goals, while allowing flexibility to customize process steps across sectors and geographic areas based on local circumstances.

The hybrid process/outcome approach to sector strategies recognizes the time required to create thoughtful programs that address specific needs in priority industries. This reporting tool tracks benchmarks towards concrete outcomes, and also captures hard numbers of placements and associated, relevant goals upon the implementation of sector-specific initiatives.





# Targeted Sector Quarterly Progress Report

Local Workforce Board Name

Targeted Sector: [Include name here after sector chosen]

June 18, 2014

Expected completion dates of activities shown by quarter

Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8
9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	12/31/16	3/31/17	6/30/17

## Goal I: Determine targeted sectors

A. Gather data elements that help to inform about priority industries

X							
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Long-term projected industry growth, location quotients, and/or employment totals

Average wages and/or occupations with career ladder advancement

Industry relationships, anchor or headquarters firms, or local industry associations

Emerging or entrepreneurial industry (patents data, venture capital investments, etc.)

Local area training programs geared toward industry

B. Submit targeted sector selection

X							
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Sector(s) named with supporting summary of key findings from data elements

Additional narrative: anecdotal local industry expertise, political considerations, or alignment with grant funding for the industry

Go to narrative

## Goal II: Identify sector supply/demand and employer needs

A. Determine sector employment demand

	X						
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High-demand and/or fast-growth occupations from long-term employment projections

Vacancy survey data by occupation

Real-time labor market data (such as HWOL help wanted online ads) by occupation

B. Determine sector labor supply

	X						
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Number of workforce system customers and targeted populations (e.g., IB and other training recipients) with industry experience and credentials

Local area training programs that supply new workers for targeted sectors occupations

C. Conduct employer survey

	X						
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Determine industry needs and "pain points" and satisfaction with local workforce board efforts

Ask employers to identify needed skills and in-demand occupations

D. Submit targeted sector supply, demand, and key findings

Go to narrative

	X						
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## Goal III: Formally engage with and convene targeted sector employers

A. Hold targeted sector forum(s)

		X					
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Give overview of targeted sector key findings and concerns to date

Solicit interactive feedback from sector employers

B. Develop targeted sector committee to plan actions that meet sector needs

		X					
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Committee to be chaired by industry, majority industry members

Committee consists of economic development, education, and other key partner organizations

C. Submit sector committee list and key forum points in narrative

Go to narrative

		X					
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## Goal IV: Develop goals and measurable outcomes for targeted sectors

A. Targeted sector committee meetings

			X	X			
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Determine desirable outcomes and numbers (such as NCRCs, placement of key job seeker populations, training completers)

B. Translate desired outcomes and associated into summary of sector initiatives

			X	X			
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C. Submit narrative of initiatives and desired outcomes

Go to narrative

				X			
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## Goal V: Operationalize and implement sector strategies initiatives

A. Complete details of sector initiatives

					X		
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Specify actions, responsible parties, and timelines for completion

Determine needed numbers of NCRCs, job seeker placements, training completers, other relevant outcome numbers for sector

B. Engage with employers and partner organizations as outlined

					X	X	
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C. Complete sector engagement activities narrative

Go to narrative

					X	X	
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## Goal VI: Achieve sector strategy outcomes and report results

A. Re-survey targeted sector employers about satisfaction with LWIB efforts

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B. Submit initiatives progress narrative, associated outcome numbers to date

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C. Summarize outcomes and report to employers in targeted sector

Go to narrative

							X
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### Progress to date on desired sector outcomes

Desired Outcome	To Date	Goal	% of Goal
National Career Readiness Certificates commitment letters signed	0	40	0%
On-the-job training completed	0	30	0%
Job placements	0	100	0%
Targeted population job placements	0	25	0%
Incumbent workers trained	0	25	0%
Youth work experiences	0	25	0%

### Legend for Project Status Colors

Complete
On Schedule
Stalled
Requires Immediate Attention
Not Used in This Plan
Not Yet Started

Indicator of goal achievement

Quarter when goal must be completed

Steps to complete goal

Item(s) used to complete step



# Targeted Sector Quarterly Progress Report

## Supporting Narrative

LWIB NAME GOES HERE, TARGETED SECTOR NAME HERE

June 11, 2014

<b>Goal I: Determine targeted sectors</b>	
Q1 (9/30/15)	We selected manufacturing. The concentration of manufacturing employment in our area is more than three times that of the U.S. (LQ=3.09) Data also show that one-third of the local workforce in manufacturing is 55+ years old, and employment projections show a need for 2,400 replacement workers in production occupations by 2022. Manufacturers have partnered with the local community college for two training programs for specific skills at their firms.
<b>Goal II: Identify sector supply/demand and employer needs</b>	
Q2 (12/31/15)	
<b>Goal III: Formally engage with and convene targeted sector employers</b>	
Q3 (03/31/16)	
<b>Goal IV: Develop goals and measurable outcomes for targeted sectors</b>	
Q4 (06/30/16)	
<b>Goal V: Operationalize and implement sector strategies initiatives</b>	
Q5 (09/30/16)	
Q6 (12/31/16)	
<b>Goal VI: Achieve sector strategy outcomes and report results</b>	
Q7 (03/31/17)	
Q8 (06/30/17)	