# Strategy 1
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# Introduction

States and communities across the country are organizing public-private partnerships to engage employers in addressing critical workforce needs. Many of these efforts have been launched by elected officials, government agencies, employer organizations, and education institutions. In recent years, there has been a growing consensus that these initiatives must be **demand driven**—focused on skilled jobs where there are, or will be, significant job openings with high earning potential.

However, even demand-driven initiatives vary widely in their level of employer engagement and the roles employers play when they are involved. As a result, demand driven does not always equal employer led. The U.S. Chamber of Commerce Foundation's Talent Pipeline Management® (TPM) initiative is an employer-led approach that organizes the business community into **employer collaboratives** to address its most critical workforce needs using **talent supply chain** strategies and practices.

Strategy 1 shows why and how you will plan and implement an employer collaborative. To do this, it does the following:

- Makes clear why employer collaboratives are a different approach to building demand-driven public-private partnerships
- Shows how to identify the most promising opportunities for establishing these collaboratives and where to start when building talent pipelines
- Defines options for organizing and managing these employer groups
- Provides guidance on how to engage employers and key stakeholders in starting your first collaborative and gain their buy-in

# Strategy 1
# Learning Objectives

**1** Identify the key features and benefits of employer collaboratives and how they are different from other approaches.

**2** Determine the focus of an employer collaborative and explore where to start when building internal and external talent pipelines.

**3** Organize and finance an employer collaborative.

**4** Engage employers and key stakeholders in establishing an employer collaborative.

# Strategy 1 Action Plan

| | 1.2 Determining the Focus of a Collaborative and Where to Start | 1.3 Organizing and Financing a Collaborative | 1.4 Engaging Partners and Planning Initial Collaborative Meetings | TPM Web Tool |
|---|---|---|---|---|
| **ACTIVITIES** — Actions taken to achieve desired outcomes | • Identify potential focus areas/pain points<br>• Evaluate employer capacity and willingness to work together<br>• Evaluate potential impacts and urgency in getting results | • Determine whether to build on existing or start new collaboratives<br>• Identify host organization(s) for each collaborative<br>• Update geographic scope if needed<br>• Determine financing approach, staffing plan, and preliminary budget | • Develop the value proposition<br>• Engage employers and communicate with partners<br>• Set expectations (data collection, building the supply chain, measuring success, sharing results) | • Create identity for collaborative<br>• Develop sustainability plan for member engagement |
| **MILESTONES** — Progress points marking significant development | • Identify pain point: critical business functions and jobs, talent management challenges, geographic area for establishing a collaborative<br>• Assess employer capacity/willingness to work together | • Agreement on host organizations, geography, financing approach, staffing plan, and preliminary budget | • An effective elevator pitch to employers interested in joining the collaborative<br>• Agreement on strategy for engaging education/training providers and other stakeholders | • Agreement on brand and website for tools to identify and manage collaborative<br>• Send web tool invitation |
| **OUTPUTS** — Achievements resulting from actions | • Number of identified focus areas and where to start | • Number of identified host organizations and focus areas, percentage established and active<br>• Number and percentage of employer collaboratives funded at least in part by employers<br>• Degree of employer "skin in the game" relative to potential ROI and compared to costs associated with pain point | Number and percentage of:<br>• Employers contacted that joined and remained active<br>• Providers and other stakeholders who support the collaborative | • Number and percentage of employers joining the collaborative who accepted TPM web tool invitation |

*Unit 1.1: Employer Collaboratives – Why They Are Needed and What Makes Them Different covers educational information and therefore is not included in the Strategy 1 Action Plan. However, this resource is meant to serve as a guide and is not an exhaustive list of all the activities, milestones, and outputs your collaborative can achieve.

# Key TPM Terms and Definitions

Here are the concepts that are most critical for understanding and executing Strategy 1. These terms appear in the order in which they are listed below and are highlighted in green throughout the chapter.

**Demand Driven**
A focus on skilled jobs that are in demand, based on labor market information.

**Employer Collaborative**
A partnership organized by employers, for employers to collectively address shared workforce needs. The collaborative is bolstered by management support provided through a new or existing employer-led organization of the collaborative members' choice. Employer collaboratives are different from most public-private partnerships in that they are organized and managed to maximize responsiveness to employers as end-customers and to deliver an employer return on investment.

**Talent Supply Chain**
An end-to-end talent management process made up of employers as end-customers and education and workforce partners as providers, with each playing key roles in adding value to the development of talent. Talent supply chains can be developed by individual employers or by multiple employers acting together as employer collaboratives.

**Talent**
Individuals who have the skills and credentials that drive competitive advantage within a company and industry.

**End-Customers**
Employers that are developing and implementing a talent supply chain to address a workforce need that results in a measurable return on investment.

**Provider**
The role education and training partners play in providing services designed to deliver talent for employer end-customers in a talent supply chain.

**Shared Pain Point**
A common area of need across employers that have come together to form an employer collaborative. Shared pain points should provide the starting point for defining the focus of an employer collaborative.

**Business Function**
The type of business or economic activity that is critical in making products or providing services at one or more establishments (see **Establishment** definition). It may or may not be defined as a primary activity for purposes of North American Industry Classification System (NAICS) coding of business establishments, and it may be carried out by one or more occupations. Examples include logistics planning, warehousing, machining, engineering, and nursing.

**Establishment**
A single physical location (e.g., plant, office) of a company that may have multiple locations or facilities. Establishments carry out business or economic activities as typically defined under NAICS. More detailed examples of business or economic activities include industrial machinery manufacturing, computer systems design and related services, and specialty surgery and primary care.

**Host Organization**
The organization that houses and provides the staff and management support for one or more employer collaboratives. Host organizations are different from traditional intermediaries in that they are business member organizations (e.g., chambers of commerce, industry sector-based associations) or economic development organizations dedicated to business growth and competitiveness and are chosen or affirmed by the employer members to manage and staff employer collaboratives.

**Occupation**
The type of job or job family that is typically used to classify workers into occupational categories based on the Standard Occupational Classification system (commonly referred to as SOC code) or another classification system. Employers use a variety of job titles that can be crosswalked to one or more occupations. Examples include registered nurse, machinist, and engineer.

**Industry**
The type of primary business or economic activity carried out in a business establishment as typically defined under NAICS. Examples of major industry categories include manufacturing, healthcare, and information technology.

**Upskilling**
Adding to the skills of current employees of collaborative members to prepare them for success in:

- **New, Emerging, and Changing Job Roles** due to changing technologies and changes in how work is organized and carried out within companies and across their industries. This may involve the retraining of workers who must transition to new jobs because their current jobs are transforming.
- **Career Pathways** providing career advancement opportunities within and outside their companies.

**Secondary Labor Market Information**
Information and analysis about the level of workforce demand by industry generated through reviewing labor market information reports (e.g., state occupational projections) or through aggregating job posting data (e.g., real-time labor market information).

**Primary Labor Market Information**
Labor market information provided directly by employers and other participants in labor markets (e.g., workers). TPM uses primary labor market information from employers in a collaborative regarding their level of workforce demand.

**Value Proposition**
The unique value and benefits achieved for key stakeholders based on following the TPM process.

**Bottom-Line Measure**
The talent-related performance measures that have the most direct and highest impact on the overall profitability and performance of the business.

**Shared Value**
The value that is created for employers, education and training providers, and the learners they serve—as well as society in general—when employers play an expanded leadership role as end-customers of talent supply chains.

# Unit 1.1

# Employer Collaboratives – Why They Are Needed and What Makes Them Different

State and local demand-driven approaches place a high priority on engaging employers in public-private partnerships to address workforce needs. Many of these public-private partnerships bring employers to the table in an advisory role along with other community stakeholders. Neutral intermediary organizations usually manage these partnerships rather than organizations chosen by employers. Employers participate in these partnerships for many reasons. Some hope to improve access to qualified **talent** whereas others participate as corporate citizens hoping to help their communities.

In contrast, employer collaboratives are organized by employers, for employers to address a core business need in sourcing talent, and are financed in part by employers themselves. Rather than employers coming to the table as one of many stakeholders, they instead come to the table as **end-customers** ready to manage a talent supply chain. In other words, employer collaboratives help employer members play an expanded leadership role in education and workforce partnerships.

## What Employer Collaboratives Do

Employer collaboratives play a critical role for employers and the larger public-private partnerships with which they engage. Employer collaboratives do the following:

- **Organize Demand Data and Share with Partners**
  Collaboratives organize employer data on their most critical workforce needs and share this information with preferred and trusted **providers** by forecasting the level of demand (Strategy 2), communicating hiring requirements (Strategy 3), and mapping internal and external pipelines with existing and potential talent sourcing providers (Strategy 4).

- **Manage Talent Supply Chains and Improve Performance**
  Collaboratives also organize and incent data-driven internal and external talent supply chains with preferred providers (Strategy 5) and improve the partnership based on performance data collected by talent supply chain partners, including employers (Strategy 6).

# Why Are They Needed?

Employers can accomplish more by working together than they can working alone in addressing their most critical workforce needs. Collaboratives provide the following benefits for employers:

- **Focus on the Most Critical Needs and Pain Points**
  Collaboratives can focus on employers' most pressing shared needs that are important to their competitiveness—called **shared pain points**—including critical **business functions** and jobs and specific sourcing problems such as recruitment of new hires, onboarding, career advancement, retention, and increasing diversity.

- **Stronger Brand Recognition**
  Employers can improve their individual business' visibility to providers and learners regardless of their size.

- **Clearer Communication**
  Employers can speak in one voice and better communicate their job projections and talent needs—including competency and credential requirements—with trusted providers and current employees interested in career advancement opportunities.

- **Shared Expertise**
  Employers can learn and improve together to engage in more effective talent supply chain practices.

- **Improved Leverage for Getting Results**
  Employers working together are more likely to get better responsiveness from providers the collaborative hopes to engage with. There is strength in numbers.

- **Added Value for Small Employers**
  Small employers commonly do not have the internal resources or leverage to get the same results as larger employers. Collaboratives provide the needed capacity and leverage to get similar results for small businesses

Education and training providers need employer collaboratives because they do the following:

- **Determine Demand**
  Collaboratives provide a systematic approach and process for determining the most critical jobs and organizing their demand data so they can be shared productively with partners.

- **Engage Employers**
  Collaboratives solve the most common problem of employer engagement because employers:

  - Make the decision to organize and participate in a collaborative to meet their most critical workforce needs;

  - Have major "skin in the game" to stay engaged because they are the primary funders of the collaborative; and

  - Have more buy-in and will share sensitive information about their workforce needs through a **host organization**, either of their choice or where they are already engaging one another, in which they have decision-making authority to ensure there is an employer return on investment.

# Why Are They Different?

There are distinctions and benefits of employer collaboratives compared with other public-private partnerships. See Table 1.1: Comparing Public-Private Partnerships with Employer Collaboratives, for a side-by-side comparison of how employers engage differently in a TPM employer collaborative.

**Table 1.1: Comparing Public-Private Partnerships with Employer Collaboratives**

| Feature | Public-Private Partnerships | Employer Collaboratives | Benefits of Employer Collaboratives |
|---|---|---|---|
| **Employer Objectives** | - Corporate social responsibility<br>- Corporate citizenship<br>- Address skill needs | - Address skill needs | Collaboratives provide more meaningful employer engagement and focus on solving member talent needs. |
| **Members** | - Businesses<br>- Business and industry associations<br>- Labor unions<br>- Education<br>- Government<br>- Nonprofit organizations | - Businesses<br>- Business and industry associations | Employer members can speak more openly about their needs and which providers can best address their needs. |
| **Governance** | - Multi-stakeholder board with business representation, but playing a largely advisory role | - Business member board or committee making all strategic decisions | Employers control key decision making within the collaborative. |
| **Functions** | - Strategic planning<br>- Labor market research<br>- Advocacy<br>- Develop and manage public-private initiatives | - Determine critical shared workforce needs<br>- Jointly communicate hiring needs and requirements<br>- Broker workforce solutions with providers<br>- Collaborate on upskilling opportunities<br>- Measure performance and give incentives to providers | Employers focus only on those "value-adding" activities that directly address their talent needs and solve their talent shortages. |
| **Finance** | - Government grants<br>- Foundation grants<br>- Business donations<br>- Shared and leveraged public funding | - Business member dues<br>- Business donations<br>- Seed funding from government, foundations, and business associations | Employer members have "skin in the game" and will focus on those activities that provide a return on investment. |
| **Management Support** | - Government agency<br>- Neutral third-party intermediary | - Business-led organizations chosen by collaborative members | Staff works for and is directly responsive to employer members. |

# Exercise 1

## Vermilion Advantage Case Study

The example below illustrates a real world example of how an employer collaborative can be created, organized, and funded.

In 2002, the Vermilion County Economic Development Corp. and the Danville Chamber of Commerce merged into Vermilion Advantage—an employer-led, membership-based nonprofit organization. The mission of Vermilion Advantage is to "serve as a partner in growth and enhancement of the general welfare, prosperity and overall economy of Vermilion County, its people, and business." Vermilion County is located in East Central Illinois along the Illinois/Indiana border. Danville is the county seat.

Vermilion Advantage was established during a time of growing concerns about economic development, the need for a competitive workforce, and the failure of previous efforts to address this need. In advancing its workforce agenda, Vermilion Advantage started a manufacturing employer network to address the needs of manufacturers that expressed the most concerns about a competitive workforce. After the success of this working group, Vermilion Advantage created four employer networks very similar in function to employer collaboratives in (1) manufacturing, (2) logistics, (3) healthcare, and (4) technology and services. Employers can join one or more of these networks based on what critical business functions they carry out within the county.

In joining one or more of these employer collaboratives, employers pay a membership fee to cover the staff time required to support the core activities of the collaborative, including an annual demand planning survey for projecting job openings, which is shared with providers in the community to improve responsiveness to employer needs. Members agree to complete the demand planning survey and actively support the collaborative in carrying out its initiatives. Members can make additional donations of time and resources to support these initiatives. Staff provided by Vermilion Advantage support these employer collaboratives.

After reviewing the exercise, discuss the following:

**1** Using Table 1.1, identify the key features that make Vermilion Advantage an example of an employer collaborative.

**2** Identify at least one existing public-private partnership in your community and describe how it is similar to or different from the employer collaborative organized by Vermilion Advantage.

# Unit 1.2

# Determining the Focus of a Collaborative and Where to Start

Now that you understand what employer collaboratives are, why they are different from public-private partnerships, and the potential value they can provide employers in your community, we will start to develop an action plan for developing an employer collaborative.

One of the first steps in organizing an employer collaborative is defining an area of focus. The focus of the collaborative should be (1) a shared pain point on which its members' competitiveness depends (2) on which employer members have the capacity and willingness to address, (3) with an evaluation of the urgency and potential impacts for results. It is important to understand what components make up a pain point, and then do your homework to determine which ones are the most important to address along with the other considerations when determining an area of focus; we present the material in this unit as such.

## Determining the Focus:
## Critical Dimensions of Shared Pain Points

The identity of an employer collaborative is based on the shared pain point it seeks to address. A focus area or shared pain point has three critical dimensions:

**1** **Critical Business Functions and Jobs**
Employers can define their pain points in many ways, such as in terms of business functions inside their companies (e.g., warehousing, nursing, precision machining, welding, customer service) or by specific job titles and occupational categories (e.g., machinist, registered nurse).

In some cases, these business functions and **occupations** are within one major **industry**. In other cases, they are spread across multiple industries, as is the case in information technology jobs (e.g., software development, network administration).

**2** **Talent Management Challenges**
Employers can experience many different types of pain in finding, hiring, training, retaining, and **upskilling** workers for these critical business functions and jobs. Talent management challenges provide the basis for determining employer return on investment and are critical to sustaining employer engagement. These challenges can be expressed in many different ways, such as the following:

- **Unfilled Job Openings**
  Employers are not able to fill critical job openings with qualified talent in the time frames needed to meet business needs.

- **Onboarding, Training, and Upgrading Costs**
  Employers have to increase spending to onboard recent hires, as well as train and upgrade existing workers.

- **Career Advancement, Turnover, and Retention**
  Employers are struggling to retain talent and/or are not able to provide career advancement opportunities for current employees to fill critical job openings, resulting in workers leaving the company and/or the industry.

- **Increasing Diversity and Opportunity**
  Employers are not able to increase the diversity of employees and applicants, expand economic opportunity, and promote equity.

**3** **Geographic Area for Establishing a Collaborative**
Finally, geography is an important consideration. Some employers have access to available talent but struggle with sourcing qualified talent that they can retain. Other employers simply do not have enough available talent within the geographic area from which they are accustomed to sourcing talent.

Many employers have a mixed approach in which they search for talent within different geographic areas depending on the job they are trying to fill.

For example, the geographic areas for finding machinists may be different from those for finding engineers, and some larger companies might have larger geographic areas for recruiting than smaller companies.

There needs to be some initial agreement on the geographic location you are starting with and this should be based on the location of the employers that will form a collaborative. In TPM, you should always revisit geography based on new data and information that affirms the talent sourcing networks employers use—or plan to use—and what that means for the geography they cover.

# 1. Determine Which Shared Pain Points Are the Most Important to Address

Now that you have an understanding of how to determine critical pain points for employer collaborative members, it is important to do your homework to discover where employers are feeling the most pain. You can start by compiling information from two major types of sources: (1) strategic plans and studies that analyze **secondary labor market information** derived from a variety of public and private sources, including state occupational projections; and (2) employer demand planning surveys, interviews, and other **primary labor market information** sources collected directly from employers.

The most powerful and important information for determining priorities comes directly from employers because they provide the most direct and trustworthy information. When using strategic plans and studies based on secondary labor market information, it is necessary to confirm this information with a representative sample of employers, especially employers that may be called on to take leadership roles in establishing a collaborative.

For example, you may review strategic plans and reports developed in cooperation with employers and determine that many of these reports have identified three or four key sectors, such as healthcare, manufacturing, and information technology, along with critical jobs, such as nurses, machining technicians, and software developers. You may have talked directly with some leading employers in these sectors and found that they identified the same critical jobs. If secondary labor market information is used, it is critical that it is vetted and validated by employers that are considering forming or participating in a collaborative.

An important lesson to keep in mind when reviewing data is that bigger gaps or a larger number of job openings does not necessarily equal the most critical jobs that a collaborative should focus on and apply TPM toward. In fact, many jobs may have a larger number of openings, but play a less critical role when it comes to business competitiveness. For example, these jobs may not require much education, training, or credentialing and are easy to find qualified applicants for, and high turnover in these jobs may not prove to be a pain point. What matters most is the criticality of the jobs, not the number of openings. Sometimes they match up, but many times they do not. What is most important is that you work with your collaborative to make this determination.

When reviewing reports or talking directly to employers as you consider business functions and jobs for your focus area, it is important to answer the following questions:

- Which business functions or capabilities are most critical for business success?

- Which jobs drive those capabilities and carry out the most critical work?

- Do vacancies in these jobs significantly impact the success of your business?

- Do these jobs require prior training and credentials that would take significant time to acquire?

- Do these jobs provide strong career opportunities that would attract qualified applicants?

- Are these jobs hard to fill, or is competition for these jobs significant?

- Do these critical jobs have constantly changing skills requirements that require continuous upskilling to remain competitive?

- Are these critical jobs undergoing major changes in credential requirements that will require upskilling and credentialing for current workers?

- Can we do a better job in filling critical jobs by upskilling current employees and providing stronger career pathway opportunities from entry-level jobs?

- Is there a need to tap into new sources for these jobs (e.g., increase diversity)?

- Do we need to expand the geographic reach of our talent sourcing efforts?

After working through these discovery questions, it is possible that while employer collaborative members share similar pain points, some may want to focus on upskilling current employees and others may want to focus on new hires based on which ones are more important.

## 2. Evaluate Employer Capacity and Willingness to Work Together

Another part of the work in defining possible focus areas for employer collaboratives is determining whether employers have the capacity and willingness to address these shared pain points within the needed geographic area.

The following are important considerations when organizing a collaborative:

**1**  Employer leadership and engagement in existing partnerships and initiatives

**2**  The presence of one or more business champions that can bring employers together

**3**  Business and industry associations or economic development organizations that have a proven capacity and track record when it comes to engaging employers

**4**  The ability for business and industry association and economic development organizations to work together at the geographic level needed to address employer needs. For example, can local organizations work at the regional level that best encompasses the recruiting market for critical jobs?

## 3. Evaluate Potential Impacts and Urgency in Getting Results

Another part of the work in defining possible focus areas for employer collaboratives is evaluating where they are most likely to have the largest impacts in getting results. And, depending on the urgency of the need, where they can get the greatest value or return on investment in the shortest period of time.

There may be shared pain points that are important to employer collaboratives where employers determine they have a relatively high or low probability of success in achieving results. Some of these results may take a long period of time whereas others can be achieved in much shorter time periods. Depending on the level and urgency of need, some collaboratives may choose pain points with lower potential impacts if they can bring about these impacts right away, rather than prioritize pain points with larger impacts that can only be achieved over long time periods. They also could choose to start with low-impact and short-term pain points and then move to pain points with larger, but longer-term impacts.

See Table 1.2: Example Chart for Determining the Focus of a Collaborative designed to help host organizations prioritize where to launch employer collaboratives.

**Table 1.2: Example Chart for Determining the Focus of a Collaborative**

| Business Functions and Jobs | Talent Management Challenges | Initial Geographic Area for Collaborative | Shared Need: High (H) Low (L) | Capacity/ Willingness: High (H) Low (L) | Potential ROI Impact: High (H) Low (L) | Urgency to Address Need: High (H) Low (L) |
|---|---|---|---|---|---|---|
| Machining, CNC Machinist | Cost of a hire | 3-county region | H | L | H | H |
| Retail Management, Retail Store Manager | Career advancement and retention | Metro area | H | H | L | H |
| Nursing, Registered Nurse | Unfilled jobs and insufficient diversity | State | L | H | H | L |
| Logistics Management, Warehouse Manager | Low retention | 7-county rural region | H | H | H | H |
| Network Administration, Network Manager | High onboarding and training costs | County | L | L | L | H |

After identifying the most important shared pain points to address and assessing where there is capacity and willingness to work together, you have successfully determined the focus of your collaborative and can move on to organizing and financing it.

# Determining the Focus of a Collaborative Exercise

The example below demonstrates how a collaborative can share and use information necessary to determine the initial focus for moving forward.

After learning about TPM, a group of manufacturers in a three-county region agreed to implement TPM. They formed an employer collaborative staffed by the local chamber of commerce to address their most critical workforce needs and shared pain points.

The collaborative, after bringing its members together, determined that CNC machining, maintenance, engineering, and welding are their most critical business functions that have shared pain points to address. For CNC machining, the employers voiced their difficulty in recruiting qualified new hires. In addition, they recently experienced mixed results when promoting current machine operators. There remains interest across the collaborative to explore a solution given that CNC machining is a critical business function, however, it is unclear at this time just how urgent of a need this is across the collaborative.

For maintenance, several collaborative members project increased automation that will require more advanced skills and new work roles in the future. To everyone's knowledge, the collaborative members have no prior history working together on maintenance.

For engineers, there is widespread concern that there is a wave of impending retirements, but it is still anticipated to be several years out. Current efforts to recruit qualified engineers has been sufficient, however, the anticipated level of retirements will vastly exceed past attempts to fill engineering vacancies.

Lastly, hiring and retaining qualified welders is a severe and urgent problem for all collaborative members. There is prior history working on welding programs that was done through a grant awarded to a local community college for a short-term, non-credit training and certificate program that produced welders in a few months. However, the quality of hires varied widely and the grant closed years ago, resulting in the program closing as well. The collaborative stressed that if something is not done about the welder shortage—and soon—then business growth will suffer.

Given the information shared, the collaborative must now make a decision about the initial focus of the collaborative for moving forward. The collaborative members tasked the chamber staff to compile the information and feedback and make a recommendation on where to start.

After reviewing the exercise, discuss the following:

**1** Based on the information provided, complete the table below to the best of your ability.

| Business Functions/ Jobs | Talent Management Challenges | Initial Geographic Area for Collaborative | Shared Need: High (H) Low (L) | Capacity/ Willingness: High (H) Low (L) | Potential ROI Impact: High (H) Low (L) | Urgency to Address Need: High (H) Low (L) |
|---|---|---|---|---|---|---|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

**2** What additional information do you need from employers to complete the table?

**3** As the lead staff for the employer collaborative, which business function and pain point would you recommend to focus on? Explain why.

**4** Do we have enough information to determine where to start? Explain your answer.

# Unit 1.3

# Organizing and Financing a Collaborative

There are many ways to organize employer collaboratives after the decision about focus areas has been made. These different approaches involve at least four key decisions:

**1** Do we start new employer collaboratives or strengthen existing ones?

**2** How do you determine the proper size and geographic scope of an employer collaborative?

**3** How will we provide the management support necessary to make the collaborative successful while ensuring employer leadership and control?

**4** How will we finance the collaborative and provide the employer ROI necessary to ensure sufficient employer commitment? Where will we get the seed funding for staffing and other in-kind contributions to get started?

## Starting Anew or Building on Existing Initiatives

Starting a new collaborative is hard work and runs the same risks of any new business startup. It also is open to criticism that you are reinventing the wheel and should build on existing partnerships. Organizing a collaborative using the TPM approach also has advantages, including enhancing employer leadership and ownership in closing a skills gap.

Building on existing initiatives also has risks, especially if those initiatives are based on broader stakeholder partnerships in which employers are one among many stakeholders and do not participate to address their own specific talent needs. Making the decision on whether to build on existing efforts or start anew requires a careful review of the pros and cons of each approach.

In many cases, employers will choose host organizations such as chambers of commerce, industry associations, and economic development agencies that already have existing initiatives involving many stakeholders, including education and training providers such as universities, colleges, and workforce agencies. These initiatives are often based on public-private partnership models that have all stakeholders at the table in all meetings, and do not provide the opportunity for employers to meet separately in order to set their own priorities and address any issues in working together.

In these instances, TPM still provides a framework through which employers can work together to produce actionable data on shared workforce needs while improving existing career pathway partnerships.

Existing initiatives can provide the needed space for employers to establish a collaborative by forming employer committees, task forces, or work groups. These employer-only committees provide the space and opportunity for businesses to organize themselves, set priorities, and clarify their role within the larger partnership, especially when it comes to providing more granular labor market information that is specific to their company's workforce needs. Organizing employers in this way also provides a mechanism for employers to enhance their career pathway partnerships using a talent supply chain approach that addresses employer ROI.

Whether launching a new employer collaborative or building off of an existing public-private partnership, the TPM approach is a useful tool for expanding the employer role in education and workforce partnerships.

# Determining the Proper Size of an Employer Collaborative

When exploring the creation of a collaborative, employers and their host organizations will face the question of how many employers should be part of a collaborative to give it the best chance of being successful. There is no simple answer to this question, and a bigger collaborative does not always mean a better collaborative. The group should be as big as it needs to be in order for it to deliver a sufficient **value proposition** and positive ROI to its employer members. The group should also be sufficiently large to ensure that data shared in the aggregate cannot be traced back to an individual company.

In general, employers and their host organization should make sure that they have a core set of members who can provide the necessary leverage for education and training providers to respond to their shared needs. In some cases, this requires a few "champion" employers that have the visibility and size to create this leverage. In other cases, it requires a larger set of employers that represent the majority of job opportunities within an industry or set of occupations.

The most important decision is how to involve a set of champion employers that have the ability to establish a collaborative and recruit additional employers over time as needed.

# Determining the Geographic Scope of an Employer Collaborative

Employer collaboratives are not necessarily bound by traditional geographic boundaries. The scope of a collaborative is determined by its membership and the geographic area that members use for sourcing talent and engaging with preferred education and training providers. Most collaboratives pick a geographic area to start with, but can make changes based on new information and data collected, or when new employers join the collaborative that may be outside of the initial target geography.

A collaborative may also choose to confine its membership and activities to a defined area, such as a county. However, many collaboratives start by organizing based on the other employer partners with which they wish to work. They also may want to define their geographic scope based on the information they collect as part of back mapping their existing talent flows (described in Strategy 4) and from where they plan to source talent in the future (demonstrated in Strategy 5).

Some collaboratives seek to roll their work into a statewide effort, often done with the support of state agencies and other stakeholders. When organized this way, an agreed-on statewide host organization can coordinate the work of multiple collaboratives and subgroups, some sharing similar focus areas (e.g., manufacturing) but with different

employer members to account for different regional needs and solutions. This broader, statewide structure allows collaboratives to combine efforts when needed and share data more easily while retaining their independence when it comes to making decisions about their focus and preferred talent supply chain solutions.

# Managing an Employer Collaborative

Collaboratives can be managed through a variety of structures. They can be established as separate nonprofit organizations managed by an existing host organization, such as a chamber of commerce or economic development organization, of which employers are members and already work together. They can also be governed by a board or employer committee that may already exist through the host organization.

In most cases, employer collaboratives are best started through the support of a host organization that can provide project management and staff support (see Figure 1.1: Example of an Employer Collaborative Structure). A host organization can staff one or multiple employer collaboratives that are organized based on the pain point they are addressing and the composition of their membership.

**Figure 1.1: Example of an Employer Collaborative Structure**

| Host Organization (e.g., chambers, economic development agencies) | | | |
|---|---|---|---|
| **Employer Collaboratives** | Manufacturing | Energy | Healthcare |
| **Employer Members** | | | |

In some cases, employers might want to affiliate with multiple host organizations based on the type of collaboratives they are forming and the pain points they are addressing. The most common employer collaboratives are based on employers' industry sector and focus on jobs that are fairly unique to that sector—for example, nurses in healthcare and machinists in manufacturing. However, this is not the only way to organize. In fact, some employers form collaboratives based on a job that cuts across multiple industry sectors, such as network administrators, which are needed in a multitude of industries.

Yet another way of organizing is through an actual supply chain. Larger original equipment manufacturer companies, the end-customer in traditional supply chain relationships, sometimes recruit from their own suppliers, creating a number of talent management challenges along the way. Supply chain partners can collectively address their talent needs by working as a team to develop and source talent much like they do when developing products or delivering services.

These are just a few examples of how employers can get organized. It is not how you organize that matters. Instead, what matters is that employers buy in to working together to address a shared pain point. That forms the identity and scope of the collaborative.

# Developing a Host Organization Timeline, Budget, and Staffing Plan

Early on in the creation of a new collaborative, host organizations should develop a preliminary budget and staffing plan to ensure they have the necessary leadership commitment and staff resources to complete this work. While each collaborative must proceed at its own pace, it is important to demonstrate consistent progress to your employer members.

Once the employer collaborative has gained experience in moving through the process for the first time, it will be able to expedite each stage of the process and reduce the time taken to update its information and execute each strategy. Host organizations should be able to launch new collaboratives more easily as they gain experience.

Whether you are starting your first collaborative as a new initiative or building from an existing one that may be part of a public-private partnership, the selected host organization should provide the necessary staff time with or without seed funding to lay the initial groundwork. The biggest up-front cost and commitment is time, which typically poses the biggest hurdle for a collaborative to have a successful launch. It is very important for host organizations to budget for the amount of time that a staff member will need to commit in order to facilitate a new collaborative from start to finish.

This staffing support should be sufficient to do the following:

- Conduct outreach with employers and engage stakeholders.
- Determine whether employers have sufficient shared needs, willingness, and capacity to work together and whether there is sufficient impact in the time required to address the need.
- Define an initial focus area that could be addressed and begin to explore where to start.
- Get buy-in to implement one or more of the subsequent strategies to demonstrate value (Strategy 2, 3, 4).

If you are using a percentage of time of an existing staff member, then we recommend no less than 25%, but preferably 50%, of their time be dedicated to the collaborative.

Some host organizations choose to create a new, full-time position that is dedicated to the TPM process. This provides greater flexibility in working with multiple collaboratives with the added benefit of having a point of contact who can advocate for and expand talent supply chain solutions with other partners, while also representing your partners and affiliates outside of the state or region.

Some host organizations find it useful to offset the cost of having a staff member facilitate a collaborative by raising funds from local sources that are interested in providing seed funds for new collaboratives. This can result in having the full cost of a staff member covered for the first year, or it could be a cost sharing arrangement between a philanthropic source and the host organization.

The goal is to demonstrate enough value and return on investment within the first year to make the case for employer members to sustain the work of the collaborative through membership dues and other types of employer investments.

Figure 1.2: Sample Host Organization Staffing Plan for Organizing a Collaborative is a sample budget for a host organization measured in terms of staff time committed to organizing an employer collaborative.

**Figure 1.2: Sample Host Organization Staffing Plan for Organizing a Collaborative**

| Organizing Activity | Staff Time |
|---|---|
| **Collaborative Planning and Material Development.** Using available labor market information, develop supporting materials for organizing a collaborative with a defined focus area or pain point, critical jobs, talent management challenges, geographic scope, and where to start. Develop a list of potential employer members, especially employer champions that could lead and host the first meetings, and consult with stakeholders on the proposed approach. | 64 hours |
| **Employer Outreach.** Recruit employer champions and pitch potential participants to attend one or more initial meetings, where they will explore forming a collaborative as part of a new or existing initiative. | 120 hours |
| **First Collaborative Meeting.** Plan and conduct the first meeting on the focus of the collaborative and gain buy-in and support to participate in the TPM process. | 32 hours |
| **Second Collaborative Meeting: Data Collection.** Plan and conduct the second meeting, where you will begin implementing Strategies 2–4. | 40 hours |
| **Conduct TPM Surveys.** Develop, pilot test, and administer the TPM surveys using the implementation tools made available to you and develop presentation materials for future meetings. | 80 hours |
| **Third Collaborative Meeting: Review Survey Results, Assess Progress, and Discuss Next Steps.** Hold a follow-up meeting to review the results of the survey, determine if sufficient progress has been made, then reaffirm member commitment to proceed with the remaining strategies. | 32 hours |

# Financing an Employer Collaborative:
## The Importance of Return on Investment

Whether you are starting a new collaborative or building on existing initiatives, the most important decision is the selection of the pain points that will provide the most immediate results and returns on employer investments. This provides the incentive for short-term and long-term employer financing of collaboratives.

Employer collaboratives are unique in that they are financed at least in part by membership fees and other types of employer contributions. There are many different options for employer financing, including membership dues, contributions for specific initiatives, and foundation donations.

An employer collaborative might require seed funding to get started, which can come from funding sources other than employers, such as government. However, if seed funding is needed from an alternative source, this may influence the degree of employer leadership and commitment, and, ultimately, control. If employers have little skin in the game, the likelihood of their long-term engagement is doubtful.

Seed money might be needed to start an employer collaborative, but the host organization should focus mainly on employer financing and start from the premise that employers will be the major funders of the collaborative over the years to the extent that they receive a positive ROI. This could be done on a gradual basis; the employer collaborative could identify small wins as it moves through the TPM process to demonstrate value and then, if successful, have employers finance the collaborative once a measurable ROI has been achieved.

Eventually, employer collaboratives should be designed so that employer membership dues and other investments result in equal or greater bottom-line benefits by addressing their most visible and costly pain points, such as unfilled job openings; onboarding, training, and upgrading costs; career advancement, turnover, and retention; and increasing diversity and opportunity.

This requires a discussion with employers and human resource professionals on how best to calculate the costs that companies incur from these pain points. Many of these costs will be rough estimates that employers decide are reasonable based on industry benchmarks or their own experiences. It may also be helpful to have employers calculate the amount of time they spend as part of other initiatives, including public-private partnerships. In almost all cases, even rough estimates will show that collaborative membership dues and other investments will have high returns if the collaborative is successful in addressing major pain points.

For example, a group of manufacturers that have agreed to work together in a collaborative could try to calculate their average cost of filling job vacancies. Based on their industry standard for measuring the cost of a hire and the opportunity cost of having a position unfilled, they might conclude that, on average, it costs each company $8,000 to fill a position, including recruitment, onboarding, and training expenses. In addition, they spend an average $3,000 per position on staffing agency expenses. What is more, the average cost of a position going unfilled for several months is estimated to be approximately $19,000 in lost productivity. Last, each company spends, on average, $2,500 per position filled in support of career fairs and mentorships with local education programs.

Adding together these numbers provides a quantifiable value proposition to companies about addressing a pain point, which in this example comes to $32,500 per hire. This baseline cost can later be used to determine each company's ROI based on working together in an employer collaborative to manage the talent pipeline. ROI calculations are covered in Strategy 6. Employer collaboratives should emphasize this ROI focus in explaining their value propositions to employers (see Unit 1.4). And, as addressed further in Strategy 6, employer collaboratives should regularly measure and report ROI in ways that show employers they are better off working together and that their membership dues, time, and other investments pay off in improved performance on **bottom-line measures** tied to their agreed-on pain points.

In summary, the benefits attained by participating in an employer collaborative should always exceed the employer's commitment and the baseline cost from when it started.

# How Existing Partnerships Are Organized in Your Community Exercise

Using your own community's experiences, identify one or more initiatives or organizations that have engaged employers in addressing critical skill needs. Identify how each is financed and managed. Also, indicate whether the initiative or organization would benefit from starting a new employer collaborative or building on an existing partnership. Include the pros and cons of the approach you indicated and present your analysis to your group.

If you are building on an existing partnership, how will you create the necessary space for an employer collaborative within that partnership?

| Existing Initiative/ Organization | Who hosts it and how is it managed? | How is it financed? | Integrate TPM into the partnership or start a new collaborative? Why? |
|---|---|---|---|
| 1. | | | |
| 2. | | | |
| 3. | | | |

# Unit 1.4

# Engaging Partners and Planning Initial Collaborative Meetings

As you prepare to establish your first collaborative or integrate TPM into an existing public-private partnership, you should also be mindful that, while TPM provides a structured process for organizing collaboratives and executing the strategies, it usually requires some adaptation to your local circumstances and needs. While we encourage you not to stray too far from the process since each of the strategies are aligned and build on one another, each collaborative needs to ultimately make TPM work for them. As you become more adept at explaining TPM to your partners and plan for your initial meeting, keep in mind that what is provided in the curriculum is a model approach that you can adapt and customize as needed.

## Developing the Employer Value Proposition and Elevator Pitch

The first step in establishing a collaborative is reaching out to employers to encourage them to host or attend the first meeting to explore the concept. During this first step it is also important to engage key stakeholders to brief them about your efforts.

In reaching out to employers, you should develop a short three- to five-minute presentation or "elevator pitch" that presents the value proposition to employers and addresses some of their major concerns. Figure 1.3: Employer Elevator Pitch Template and Sample Language and Figure 1.4: Talking to Education and Training Providers provide sample language to use with potential employer collaborative members and education and training providers, respectively, and will provide a helpful starting point. Despite the many benefits of employer collaboratives, most employers have never worked together in this way and may have a number of questions or concerns. Three of the most common concerns are the following:

- **Are We Better Off Working Together?**
  It is likely that many employers will worry that other employers, in some cases their direct competitors, will benefit more than they will by working together. Some may think larger employers will benefit more and that larger employers' needs will more likely be catered to because of their size.

- **Will We Be Sharing Proprietary Information?**
  Many employers will worry that they will have to share proprietary information about their businesses and their critical jobs. They will want to know who they will share this information with and whether they can trust partners to maintain and protect their confidential information.

- **Are There Business Collaboration Risks?**
  Some employers will want to know whether they can work together under a formal collaborative without any legal risks.

The following are examples of how to address the aforementioned employer concerns:

- **Shared Value Across the Talent Supply Chain**
  TPM is a team sport, and the approach promotes **shared value** across the talent supply chain so that all employer members benefit from a wider talent pool from which to get talent, not just larger employers that are engaged in TPM.

- **Collaborate Effectively for Social Good**
  Employers join forces not only to solve a mutual talent shortage, but also to deliver a public good and a better pathway to opportunity for learners.

- **Host Organizations Protect Proprietary Information**
  Employer collaboratives protect proprietary information by ensuring that employer members report their information to the host organization, which shares only aggregated information with other members so that employer privacy is protected. In particular, a consistent concern relates to the sharing of wage, salary, or benefit information; neither the TPM process nor its associated tools are intended to be used in connection with a survey of this type of data. Stating this upfront with your partners can alleviate hesitation.

- **Host Organizations Protect Members from Collaboration Risks**
  Employer collaboratives protect individual employers from antitrust regulations by sharing data in the aggregate such that individual company data cannot be extrapolated. To ensure anonymity, host organizations should form the collaborative with enough companies to guard against the risk of inadvertently sharing individual company data (e.g., five or more companies).

In establishing employer collaboratives, it is important to develop a value proposition for employers that not only addresses these concerns but also does the following:

- Generates passion and commitment for addressing their major needs or pain points (e.g., unfilled job openings; onboarding, training, and upgrading costs; career advancement, turnover, and retention; and increasing diversity and opportunity) in ways that will advance their leadership standing and brand among other businesses and their communities

- Conveys how an employer collaborative will help them address these pain points better than working alone, even if they have different needs than other employers

**Speak to their pain point first and how solutions may involve upskilling and/or new hire strategies.**
Employers—like you—in our area continue to express problems with finding qualified workers for jobs that are critical for your company to grow and remain competitive, such as nurses, machinists, welders, industrial maintenance technicians, and software developers. We also recognize there are often costly problems with onboarding and unwanted turnover, as well as upgrading the skills and credentials of existing workers. Employers are also interested in investing in their front-line workforce for career advancement and the diversity of their workforce.

**Acknowledge what they are doing now with you and others; use this time to thank them.**
I know you and other employers have tried a lot of different ways to address your needs and have partnered in many of our local initiatives. And you serve on a number of advisory groups. We greatly appreciate the leadership roles you are playing.

**Suggest the idea to start a new effort or strengthen the employer's role in an existing initiative.**
The Chamber Foundation is promoting a new employer-led approach—called Talent Pipeline Management (TPM)—in which employers work together more directly to address common workforce needs.

We were selected to participate in a TPM Academy recently and we can use this approach to (1) start a new employer-led initiative to address your needs, or (2) strengthen the leadership role of employers in an existing initiative.

**Explain potential benefits to employers (i.e., what is in it for them).**
We think this employer-led approach has clear benefits for you and other employers in our area because you can accomplish more together than alone. In particular, we can do the following:

- Raise the brand and image of your industry.
- Communicate your needs with one voice to all partners in the community.
- Generate greater leverage in creating a better pipeline, both internal and external, that can address the needs of all employers.

**Explain what they would have to do to get these benefits.**
If closing the skills gap is a priority for your company, then we encourage you to work with us on this approach, which will require you and other employers to agree to form an employer collaborative. As an employer collaborative we will do the following:

- Identify and communicate hiring needs for critical jobs.
- Work with other employers, partners, and stakeholders to address these needs.

**Explain where to start.**
The Chamber Foundation recommends that employers start by agreeing to respond to a survey to confirm that they have common hiring needs and then discuss whether to work together to address them.

**Figure 1.3, continued**

**Emphasize Chamber Foundation support.**
The Chamber Foundation will support our efforts, including providing a web tool that allows us to organize and manage a collaborative and connect to other collaboratives within our state and throughout the country.

**Address their concerns about working with other employers.**
We know that some employers worry about sharing confidential information, especially with other employers. The Chamber Foundation has developed a process and set of tools to help us ensure that only aggregated information is shared among employers in the collaborative.

**Get agreement to attend first meeting.**
Would you be willing to attend a meeting we are hosting with employers in your industry to discuss this new approach and how to get started?

# Engaging Stakeholders

Another important activity in organizing a collaborative is maintaining open communication with key stakeholders, especially education and training providers that might not fully understand why they are not included in the employer meetings or how they will be kept engaged in the conversations going forward. Figure 1.4 provides some ideas on how to talk with education and training providers and communicate the shared value of employers coming together first.

**Figure 1.4: Talking to Education and Training Providers**

**Use the Chamber Foundation's TPM initiative to start the conversation.**
Like others, we have been looking for new ways to get employers engaged in our workforce initiatives. The Chamber Foundation is promoting a new employer-led approach called Talent Pipeline Management (TPM) in which employers work together more directly with partners in addressing employer needs. We can use this approach to (1) start a new employer-led initiative to address your needs, or (2) strengthen the employer leadership role in an existing initiative.

**Directly address why employers need to work together, separately from other partners.**
The Chamber Foundation advises that employers work together as a collaborative and spend time together in separate meetings from education and training providers so that employers can get on the same page and play a more effective leadership role.

This is necessary because employers are not always willing to speak openly in meetings with education and training providers, and they also need to get comfortable collaborating, even with competitors. Employers will be better partners with you if they can first agree to work together and speak with a common voice about their shared workforce needs.

**Emphasize that education and training providers will be engaged later.**
Establishing employer collaboratives is just the first step and starts with employers "doing their homework" together so that they can more clearly communicate their shared talent needs with providers like you.

Employers need a space to gather and share their information and discuss their talent needs much like education and training providers often have separate meetings to discuss their most pressing issues.

Once employers are working together and communicating in a shared voice, we will bring education and training providers into the process to jointly develop solutions to meet those needs. For now, the employer collaborative can provide

**Figure 1.4, continued**

a clear work plan for education and training providers that says when and how they will be updated on progress and findings from the early stages of forming a collaborative, and how and when they will be engaged in implementing and improving talent pipelines.

**Reinforce that collaboratives can be used to launch a new initiative or be part of existing ones.**
The Chamber Foundation encourages communities to adjust this approach to meet their needs. We can either start a new initiative led by an employer collaborative or start one as part of our existing efforts. For example, the collaboratives can be inserted as an employer subcommittee or working group under an existing sector initiative.

# Getting Your TPM Pitch Right Exercise

Some TPM Academies build into their first in-person meeting an opportunity for Academy participants to practice their TPM pitch. This includes communicating the TPM value proposition and process to a wide variety of audiences, including employers you hope to recruit to your collaborative as well as stakeholders that want to know how and when they can be involved.

There is no one way to design your pitch exercise, and previous TPM Academies have been creative in both developing the various scenarios and making this a contest or competition, in some cases with prizes. Something to consider if organizing a pitch competition is when over the course of facilitation to host it. Doing so early on will help participants understand what they know and, importantly, what they don't know, while hosting it later on will help more immersed participants refine their talking points. Both options have value and both should be fun!

Most TPM Academies sort the participants into teams of five to work through a variety of scenarios, with each participant having at least one opportunity to take the lead. This allows each participant to speak but to also listen to his or her peers describe much of the same content, but in a different scenario. Pitches should be delivered within two to five minutes.

You can also organize your pitch competition with real outside stakeholders or by having participants or host organization staff role-play the scenarios. Some have found value in bringing in real outside stakeholders to play themselves because it can make the experience all the more real.

Last, you can organize the pitches so that someone is addressing a straightforward case, or you can provide additional guidance to the person receiving the pitch—the employer, public official, provider, or news reporter in the examples below—that the person delivering the pitch is unaware of (e.g., their emotional disposition, skepticism, or misinformation). This can also test how well the pitch giver is capable of thinking on his or her feet and adapting based on unforeseen conditions.

Possible scenarios to consider for your pitch competition include the following:

1. Gaining the support of an employer champion who you hope can recruit other companies and kick off an employer collaborative
2. Recruiting a new employer to the collaborative who is wary of signing up for yet another initiative
3. Explaining TPM to a mayor or public official whom you bumped into in a hallway or elevator
4. Explaining TPM to a provider that is curious about what you are up to and why it wasn't invited to the first collaborative meeting
5. Explaining TPM to a news reporter who is interviewing you for a radio spot

# Planning the Initial Meetings to Establish a Collaborative

After conducting the employer outreach and stakeholder engagement, the objectives of the first in-person meeting with employers should be to do the following:

- Show employers why they need to establish a collaborative and the benefits it can provide. (Use a TPM case study to showcase potential outcomes.)

- Share the results of the baseline analysis that used primary and secondary labor market information and discuss their implications for defining an initial focus area.

- Agree to an initial focus area and pain points, including critical business functions and jobs, talent management challenges, geographic scope, and where to start.

- Discuss how the employer collaborative will connect with existing initiatives, including public-private partnerships, of which members may be a part.

- Address when and how education and training providers will be brought into the process.

- Set expectations of what will be required from the employer collaborative members in the near term. (See Figure 1.5: Example Employer Commitment Form to Participate in Talent Pipeline Management for an example employer commitment letter form.)

- Discuss how the collaborative will be staffed and supported by the host organization for an initial startup period while employers decide whether to continue and provide financial support.

The first meeting should be hosted by one of the employer champions or the host organization and should include only committed or prospective employers as well as staff from the host organization. It is important to include company decision makers who will signal their support to their staff who will be asked to participate in future collaborative meetings and produce data.

These decision makers could include human resource professionals and front-line hiring managers. In fact, some employers would benefit from bringing a team to the early meetings so that everyone is "in the know" and will respond to information requests in a more timely manner. The most senior decision maker should not leave the first meeting without designating a chief point of contact for the company moving forward or without establishing a process for how and when he or she will designate a point of contact.

It will be up to you to determine the number of initial meetings it will take to get the right mix of employer partners committed to implementing TPM. This guidance is intended

to help prepare you for your first in-person meeting, but you may choose to split the agenda into two or more meetings, or even substitute a conference call or webinar for some meetings.

Participating as a member in an employer collaborative can require more meaningful engagement than in public-private partnerships, oftentimes resulting in increased staff attention and time. Most of the responsibility will fall to the host organization but will also require commitment from the employers. Host organizations may choose to provide advanced notice of the entire end-to-end process so that employers understand what will be asked of them by participating in a collaborative.

What is most important is that you secure their commitment to the process and ensure they understand what is expected of them as you move into the "do your homework" phase, which requires that all participating employers contribute to the data gathering and decision making that follows.

**Figure 1.5: Example Employer Commitment Form to Participate in Talent Pipeline Management**

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### What is Expected of Employers Engaging in TPM?

**Getting Started**

To get an understanding of the opportunities for collaboration, you will receive an email with the following questions:

1. Which business functions or capabilities are most critical for business success?

2. Which jobs drive those capabilities and carry out the most critical work?

3. Do vacancies in these jobs significantly impact the success of your business?

4. Do these jobs require prior training and credentials that would take significant time to acquire?

5. Do these jobs provide strong career opportunities that would attract qualified applicants?

6. Are these jobs hard to fill, or is competition for these jobs significant?

7. Do these critical jobs have constantly changing skills requirements that require continuous upskilling to remain competitive?

8. Are these critical jobs undergoing major changes in credentialing requirements that will require upskilling and credentialing for current workers?

9. Can we do a better job in filling critical jobs by upskilling current employees and providing stronger career pathway opportunities from entry-level jobs?

10. Is there a need to tap into new sources for these jobs (e.g., increase diversity)?

11. Do we need to expand the geographic reach of our talent sourcing efforts?

**At Our Next Meeting**

Responses will be compiled before our next meeting, and together we will review the data, discuss the data, and set priorities for our next phase of the project, which is to apply the TPM framework in ways that address our shared pain points for our most critical jobs.

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**Figure 1.5, continued**

**Getting Our Facts Straight**

Following our review, you will be asked to complete two or more surveys as we move forward. Your responses to any and all surveys will be kept confidential. We will make them available to the group only in the aggregate and we will not share them with any outside stakeholders without prior consent from members of the collaborative.

The first survey will focus on projecting demand for the key jobs that we identify as priorities. You will need someone within your organization who can help forecast your demand over a two- to three-year period. This person should have input from leadership, finance, and strategy staff who can assist in identifying (1) upcoming projects, (2) estimated employee turnover, (3) anticipated retirements, (4) other factors that could affect demand, and (5) entry-level workforce needs versus those of experienced workers.

The second survey will focus on the specific competencies, skills, and credentials needed to fill our target jobs. For this you will need access to job descriptions and perhaps a subject matter expert who can tell you what is truly important and what is optional. This survey will also inquire about requirements in the hiring process, such as a criminal record check, a physical exam, degrees or credentials, drug screening, and physical requirements.

Upon completing those surveys, we will begin to look at the sources from which you have found qualified talent, both internal and external, that you have been able to retain and evaluate the capacity of those sources to meet your projected demand. This looks at actual data on recent hires and upskilled workers, which means you or someone in your company will need access to personnel records for this step.

**Building the Supply Chain**

Armed with this information, our collaborative will facilitate relationships with preferred and trusted talent providers with which we will share the information we have collected for the purposes of co-designing a performance-based talent supply chain, including both internal and external talent pipelines. To gain the most benefit, your organization will need to contribute toward engaging our talent supply chain providers (e.g., community colleges, K–12 schools, community-based nonprofits, upskilling partners) to build a talent pipeline that meets our shared needs. This includes the following:

1. Co-designing a career pathway and/or upskilling opportunity

2. Aligning curriculum, demonstrations, and credentialing to employer hiring requirements

3. Integrating work-based learning and on-the-job training experiences

4. Donating equipment

5. Contributing toward career guidance

**Figure 1.5, continued**

Last, we will need to share data on how our agreed-on pain points are being addressed based on the performance of our preferred and trusted talent providers.

**Estimated Time Commitment**
The complete process should take less than a year; it requires a commitment from your company to participate in at least six meetings to complete the end-to-end talent management process.

**Measuring Success and Sustaining Progress**
While we will check in along the way to ensure the collaborative is reaching milestones and demonstrating value, at the end of the day we will be able to show a return on investment based on the metrics that we agreed on at the beginning of this process.

Should our efforts prove successful, we will discuss as a team how to continue the work of the collaborative—including how it will be financed—and how to use the data we are collecting to improve the performance of our talent supply chain.

# Planning for Your First Collaborative Meeting Exercise

After reviewing the example staffing plan in Figure 1.2 and the commitment form in Figure 1.5, discuss the following:

**1**   As the host organization, which employer champions do you need to get buy-in from in order to get started? What do you ask of them?

**2**   What level of commitment is your host organization willing to make in terms of committing staff time to the collaborative? For the first year, do you need additional funding or capacity to carry out some or all of the TPM process?

**3**   What resources and materials (e.g., labor market information, past employer survey results, membership feedback) do you need to be prepared for the first meeting?

**4**   Are there any other costs that you anticipate will need to be accounted for? If so, how do you plan for them to be covered?

# Ready for Next Steps?

Before you move to the next strategy, make sure you have achieved the learning objectives necessary to move forward. When you go back to your community, ensure you will be able to execute the following activities:

- Explain the key features and benefits of employer collaboratives and why they are a different way to engage employers.

- Determine where you will start when exploring the initial focus for a collaborative.

- Determine whether you will build on an existing partnership or start a new collaborative, and how you will manage and finance it.

- Determine how you will engage employers and key stakeholders for organizing the collaborative.

- Use the Strategy 1 Action Plan at the beginning of the chapter to determine your next steps and track your progress.

- For those using the TPM web tool, develop an employer collaborative profile and employer member profiles to help manage and promote your work.

# NOTES