Industry Partnerships In Pennsylvania



Targeted Industry Cluster Employment & Wage Summary

Industry clusters bring together multiple employers in the same industry group, or cluster, to identify and address common workforce needs. First developed in April 2004 by the Pennsylvania Department of Labor & Industry's Center for Workforce Information & Analysis, clusters are used by the state's lead workforce development agencies to develop effective workforce strategies that focus training dollars on existing and projected job opportunities.

The following chart provides a brief snapshot of Pennsylvania's targeted industry clusters, illustrating the number of jobs available in each industry and average annual wages. The clusters differ slightly from the original 2004 list, as Pennsylvania constantly strives to respond to the ever-changing labor market and emerging industries.



Targeted Industry Cluster	2007 Average Monthly Employment	2007 Average Annual Wages
Life Sciences	892,078	\$63,065
Bio-Medical	72,429	\$81,789
Health Care	819,649	\$44,340
Business and Financial Services	708,669	\$61,429
Financial and Insurance	295,703	\$64,441
Business Services	412,966	\$58,417
Education	572,441	\$39,817
Energy	90,576	\$66,811
Advanced Materials and Diversified Manufacturing	329,571	\$50,732
Chemicals, Rubber and Plastics	64,151	\$48,219
Electronics	48,045	<i>\$57,615</i>
Metals and Metal Fabrication	133,887	\$49,725
Printing	38,966	\$40,326
Vehicle and Vehicle Equipment	44,522	\$57,777
Building and Construction	360,817	\$47,117
Agriculture and Food Production	155,402	\$38,587
Information and Communication Services	218,748	\$64,978
Logistics and Transportation	169,111	\$40,321
Lumber Wood and Paper	70,082	\$41,208
Targeted Industry Clusters	3,567,495	\$49,859
Total Statewide	5,652,731	\$43,239
Percent of Total in Targeted Clusters	63.1%	115.3%

Industry Partnerships

In Pennsylvania

In Pennsylvania's manufacturing-dominated economy of the past, blue-collar workers went to high school and then landed jobs for life in stable companies, while white-collar workers went to college and did the same. At that time, neither workers nor companies needed skills development and career paths beyond high school. That world is gone.

In today's intensely competitive, technology-intensive global economy, employers require highly skilled workers to boost productivity, create new products and provide market responsiveness. At the same time, Pennsylvania's workers, recognizing the demands of the new economy, seek opportunities to develop and improve their skills. To respond to this mutual need, Governor Edward G. Rendell, with guidance from industry leaders and the support of the Pennsylvania General Assembly, created and nourished a new workforce development policy tool known as Industry Partnerships.

Today, skills are critical to competitiveness. Businesses need to find employees with specialized knowledge, and workers need to be able to move smoothly to another job if their current employer downsizes or goes out of business. Industries, workers and the state's economy benefit when groups of companies collaborate to address training needs, because new solutions are shared to strengthen the industry as a whole.

Pennsylvania was one of the first states to extend training and career-building efforts beyond individual companies to networks of companies in specific industries. The Rendell administration understood that the lack of industry collaboration on training can result in a skills gap for businesses, an opportunity gap for working families and an innovation gap for many industries. Building strong Industry Partnerships can bridge those gaps, laying the foundation for broadly shared prosperity.



Partnership is making a significant difference in increasing the supply of healthcare workers in Central Pennsylvania.

Robert Batory,Vice President,Human ResourcesWellSpan Health

Industry Intelligence

Industry Partnerships, or IPs, are employer/worker consortiums that bring together companies with similar products, markets and human resource needs. They are organized by industry sector based on an analysis of where Pennsylvania, and/or multi-county regions, appear to have a competitive advantage. The intent is to make intelligent and prudent investments to develop the human capital that will lead to greater productivity, enlightened human resource practices and innovation — thereby helping these industries to survive and grow. Most importantly, by bringing together employers committed to the development of their workforce, these partnerships develop a deep and thorough understanding of their industry. Management and employees gain insight by researching the future of the industry. Government also uses this industry intelligence to help its education and training partners better understand the future needs of industry.

Efficient Investments

IPs uncover common skill challenges within industries and, using economies of scale, apply private and public resources across numerous employers to addresss those challenges. Tax dollars and employer investments support the entire industry, not just one company's needs. Through IPs, industry-recognized credentials can be developed that enable workers to advance with their current employers or seek better opportunities elswhere. Training needs are communicated to educational partners who develop curricula for new college courses, or high school career and technical programs. IPs also have the flexability to respond to changing industry needs. For example; helping dislocated workers in a slowing economy move to employers that still have openings.

The results speak for themselves.



THE RESULTS!

(Figures as of January 2009)

- There are more than 6,300 businesses involved in nearly 80 Industry Partnerships across Pennsylvania.
- More than 70,000 workers have been trained since the inception of this initiative in 2005.
- Workers who received training through Industry Partnerships saw their wages rise by an average of 6.62 percent within the first year after receiving training.
- 88 percent of businesses in Industry Partnerships reported being very satisfied or satisfied with the program.
- 84 percent of businesses reported Industry Partnerships and training have helped them significantly increase their productivity.
- Industry leaders have contributed more than \$9 million in private funds and more than \$30 million in-kind contributions to support training and other initiatives identified through these Industry Partnerships.



Industry Partnerships

in Action

Pennsylvania's Industry Partnerships are engaged in a wide range of activities, from training and education to youth or "pipeline" initiatives and the sharing of best practices. These activities, which include building career ladders, upgrading human resource practices and leveraging technology, are translating the potential of Industry Partnerships from economic theory to new and cutting-edge workforce practice.

BUILDING CAREER LADDERS

Some industries have experienced a rapid rise in employee turnover. Regardless of reason, turnover negatively affects productivity and efficiency. Employers today are finding that it takes more than just competitive salaries and benefits to keep their employees satisfied. To help stem the tide of employee turnover, industries are finding that building career ladders and training employees to gain enhanced skill sets are improving employee loyalty. The following partnerships have developed successful career pathways.

Keystone Transit Career Ladder Industry Partnership

The Keystone Transit Career Ladder Partnership, or KTCLP, was one of the first statewide training partnerships that now includes 25 Pennsylvania transit agencies – 75 percent of the state's total. Transit agencies need training programs that focus on the transfer of skills, as a large number of experienced workers are expected to retire within the next five to 10 years. In addition, the transit industry has become more technologically advanced, requiring workers in the field to have greater skill sets.

Impact

The KTCLP has trained more than 2,800 transit workers. Since its inception, KTCLP has subsidized training for more than 6,000 vehicle technicians and facilities maintenance mechanics for rail and bus operations throughout the state. Through the partnership, Pennsylvania's transit agencies are better able to reduce turnover and increase operational efficiency.





Quite frankly, I don't think we would be as competitive as we are today without the training we have been a part of through the Industry Partnership.

David Keim,Lehigh Valley Plastics

South Central PA Health Care Industry Partnership

This local health care Industry Partnership began as a response to the nationwide nursing shortage, which had resulted from a lack of recruitment of new workers and an unusually high turnover rate within the industry. Human resource directors at acute care and long-term care facilities throughout an eight-county region joined together to increase recruitment of nursing students and to stem the tide of health care workers leaving the field.

The partnership identified inadequate supervising as a primary reason for high employee turnover within the long-term care industry. Supervisory training would help improve retention rates and provide career ladders for promotions to higher-level management positions.

Impact

More than 300 employers have become involved and nearly 1,450 workers have been trained through this partnership. Training has focused primarily on supervisory skills – from front-line supervisors to mid-to-upper management levels. Recruitment also remains a priority for this partnership, as it works closely with the Pennsylvania Center for Health Careers to promote careers in the health care industry.

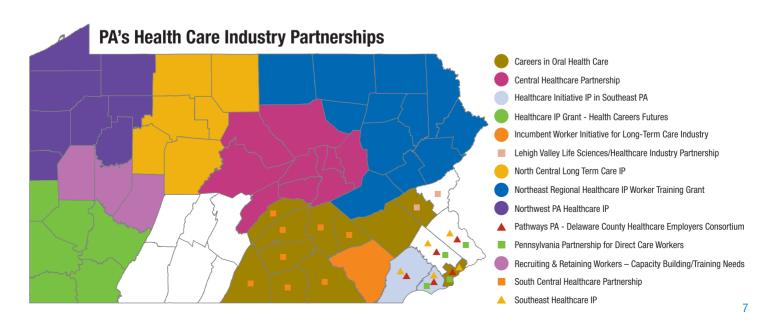
Northeast PA Regional Health Care Industry Partnership

The Northeast PA Regional Health Care Industry Partnership began as an advisory committee, but was formalized with state funding for the purpose of addressing supervisory training needs.

Impact

Through this newly formed program, more than two dozen workers have already participated in the supervisory skills development training. Flexible state grants have provided five Licensed Practical Nurses, or LPNs, the opportunity to get the training necessary to become Registered Nurses, or RNs. These career ladders from LPN to RN are critical because of a continuing need for increased employment in the nursing field.

Leadership development and tuition reimbursement are two significant benefits of the flexible grant program provided by the Industry Partnership. These courses facilitate career advancement and added expertise in the health care industry.





UPGRADING HUMAN RESOURCE & MANAGEMENT PRACTICES

Improving Operational Efficiencies

Today's marketplace goes beyond the competitor down the street. Employers now have competition around the nation and the world. Companies have increased pressure to deliver products and services better, faster and cheaper.

While larger companies may have the resources to increase efficiency, smaller firms often lack human resource departments and the financial flexibility needed to make those operational changes. For these companies, boosting performance and efficiency can be a real challenge. The following partnerships have developed human resource and management training programs in an effort to bring about greater efficiencies and improve overall recruitment and training efforts.

Metal Manufacturers' Training Consortium

Based in Lancaster and Berks counties, the Metal Manufacturers' Training Consortium involves more than 40 companies, many of which are specialty manufacturers. This Industry Partnership was formed to address labor shortages caused by supervisor retirements, basic skill needs for entry-level workers and the influx of new technology into their operations.

Impact

The partnership, in its first year, identified a critical need for supervisory training. In the second year, the consortium shifted its training efforts away from supervisory skills to helping entry-level workers develop basic skills, particularly in welding technology.

Going forward, the consortium is planning a curriculum focused on technical skill development, as well as continuous improvement activities. This shift in training illustrates one of the many benefits of Industry Partnerships – being nimble enough to quickly address the changing needs of industry.

Nearly 1,500 incumbent workers have been trained through this partnership.

Through our membership in the Keystone Utility Industry Partnership, Pennsylvania American Water has enhanced its approach to identifying needs and developing effective training programs. We have seen real improvement in how our union, non-union and management employees are collaborating and talking through key issues, so that we continue to work toward a common purpose that benefits both our company and our customers. The positive results we've achieved through the partnership are raising the knowledge level of our workforce and better preparing our company and our employees to meet future challenges.

- William C. Kelvington, Vice-President Operations Pennsylvania American Water



The Southern Alleghenies Advanced Materials and Diversified Manufacturing Industry Partnership

The Southern Alleghenies Advanced Materials and Diversified Manufacturing Industry Partnership was formed to address the loss of manufacturing jobs due to global competition and rising costs. With nearly 80 companies, ranging from 20 to 1,500 employees, this partnership is working to maintain the competitive advantage in the manufacturing industry, focusing on retaining workers and expanding and enhancing business. The partnership developed training programs, which focus on strategy planning, product process and business intelligence.

Impact

The management training provided by the partnership has taught key decision makers how to gather market intelligence and involve decision makers at all levels in process development. The training provides information for sales and marketing teams to broaden their scope and target new markets. Nearly 300 key decision makers and supervisors in the manufacturing industry have undergone this training.



The Industry Partnership provides vital assistance to the manufacturing industry in local communities. Without it, there would be increased industry closures and significant job loss, which would dry up the local economies of these small towns.

Jennifer Macy,Kane Hardwood,Division of Colin's Pine

REACHING OUT TO DIVERSE POPULATIONS

The face of Pennsylvania's workforce is changing, and businesses are finding they must change with it. Language and cultural barriers can pose challenges in the recruitment and training of workers. However, successfully integrating workers from diverse backgrounds and cultures into the workforce has become essential to the success and long-term viability of companies. The following partnerships have implemented recruitment programs for reaching diverse populations.

East Central PA Logistics & Transportation Industry Partnership

The Logistics & Transportation industry in East Central Pennsylvania had been organized for years around meeting training needs and raising industry standards. When the formal partnership was created, it provided additional value by offering companies the opportunity to network, identify and utilize existing resources and create a pipeline for the future workforce.

Impact

Facing a lack of skilled workers, changing technology and language barriers with employees, the nearly 50 companies involved in the partnership have trained more than 400 employees in supervisory, specific industry and workplace cultural courses. In an effort to educate more people – particularly young people – about the opportunities available in the industry, the partnership participated in the production of the "Career Gates" career education video highlighting various jobs within the industry.

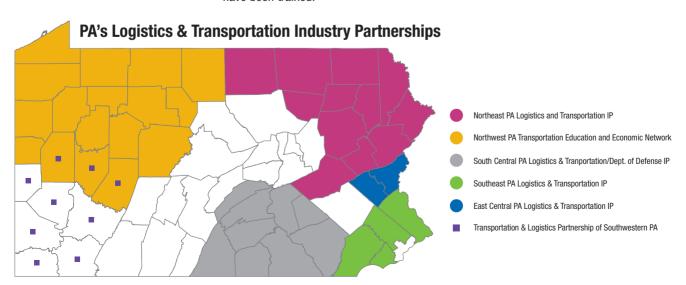
Southeast PA Food Manufacturing Industry Partnership

The Southeast PA Food Manufacturing Industry Partnership, based in Montgomery County and including companies in the Lehigh Valley, has set as one of its goals to increase competitiveness through better outreach to diverse populations — especially workers with language barriers.

Impact

The partnership developed workplace Spanish programs for supervisors and workplace English programs for workers to help bridge the language gap, thereby improving operational efficiency. The partnership is working closely with career and technical education centers to educate young people from all backgrounds about the opportunities available in the food manufacturing field. Other training has included mid-to-higher-level supervisory training and basic computer orientation training.

Nearly 20 companies are involved with the partnership and more than 2,000 people have been trained.





We are able, through the Mining Industry Partnership, to fully recognize the employment challenges that lay before the mining industry. The partnership's members are working together to fill the thousands of Pennsylvania mining industry positions that will be open in the next few years. That state grant money afforded the Mining Industry Partnership is used for enhanced skills training which enables workers to progress to their next career level. Well trained workers in our industry will allow us to grow, and our workers to continue to prosper.

Tom Crooks,Vice President of Administration,R.G. Johnson Company, Inc.

REACHING OUT TO YOUTH

The baby boomer generation is nearing retirement, and as they leave the workforce in record numbers, employers will struggle to find skilled, experienced workers to fill those vacancies. The following partnerships have implemented programs designed to recruit and train the next generation of workers for specific occupations in today's growth industries.

Building the Bridge Industry Partnership

The Building the Bridge Industry Partnership in Berks County was formed because of the high turnover rate in the construction field, mostly due to increased retirements. Through the program, various construction unions partner to help workers obtain apprenticeships through pre-apprenticeship training programs. Two specific goals of the program are to get new, qualified employees trained and to get minorities and women into construction jobs.

Impact

The program has been successful at recruiting new workers to replace the aging workforce, and bringing much-needed diversity to the building and construction field. More than 100 Reading-area high school students have completed the pre-apprenticeship program.

Mining Industry Partnership

The Mining Industry Partnership, or MIP, was originally formed to bring together underground mining companies from southwestern Pennsylvania to address the impact of impending retirements. Today, the MIP is a statewide partnership that includes companies engaged in all aspects of mining and remains focused on helping the industry prepare for the more than 6,000 retirements expected to take place over the next six years. Building the pipeline of workers to fill these vacancies is critical. The MIP works through educational and training providers, such as Career & Technology Centers, or CTCs, the Mining Technology and Training Center, or MTTC, the Pennsylvania State University system, local school districts and PA CareerLink to educate youth about the mining industry and the skills necessary to meet today's mining technology needs.

Impact

Across Pennsylvania, MIP companies coordinated or participated in job shadowing, facility tours, mentoring, internships and scholarship programs. Over this past year, more than 10,560 students participated in Career Days organized by nine MIP companies. Other youth outreach activities include: annual quarry tour for 850 Northern Lancaster School District students in grades 4-12; Pennsylvania Aggregates and Concrete Association's Rock Box Program, which draws more than 350 middle and high school students each year; annual cement facility tour for 225 students from six different school districts; and more than 30 in-school presentations to students by coal industry suppliers reaching more than 700 students in grades 6-12. All of these activities support Pennsylvania's STEM Initiative, which is dedicated to enhancing science, technology, engineering and mathematics education and career development for Pennsylvania's students.







Partnership) allows our employees the opportunity for growth within themselves and our organization.

John Hudak,The Lehigh Group

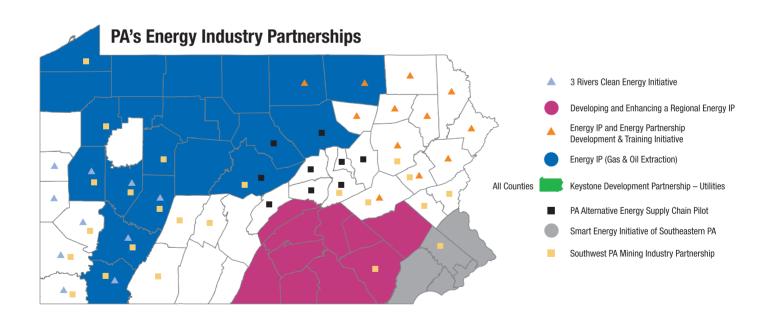
3 Rivers Clean Energy Partnership

The 3 Rivers Clean Energy Partnership, or 3RCEP, is just a year old, but has already played a key role in coordinating efforts to better understand the opportunities available for youth and adults through the energy industry in southwestern Pennsylvania. Specifically, the partnership placed a high priority on the need for additional emphasis on skills in science, technology, engineering and mathematics, or STEM.

Impact

3RCEP is working with the Job Corps, Society of Manufacturing Engineers and the Regional Career Education Partnership to help those organizations better understand the energy industry and its workforce needs. For example, they are helping the Pittsburgh Job Corps Center, a U.S. Department of Labor vocational training program for young people ages 16 through 24, understand how to adapt their curricula to prepare their more than 800 students for green jobs and to support the energy industry.

To better meet current industry needs, the partnership has teamed up with the International Union of Operating Engineers, or IUOE, Local 95, to train the region's workforce for the energy industry's emerging careers. Over the last three years, the IUOE, Local 95, has trained more than 500 people, through green building operator training, energy conservation training – including Energy Star certification – and on-site energy efficiency training.





best practices among our workers... to anticipate industry trends and focus on such needs as environmentally friendly manufacturing.

Bruce Denniston,Director of Operations,Pine Instrument Company



LEVERAGING TECHNOLOGY AND ONLINE LEARNING

Whether it is logistics and transportation or advanced manufacturing, food production or health care, today's work environment is not what it used to be. It is high-tech and high-skill.

To keep up with global competition, companies must stay at the forefront of new technologies that are changing the way people do business. But embracing this new, high-tech economy isn't always easy. It requires companies to upgrade the skill sets of their current workforce through training and development. The partnerships highlighted below focused their resources on technology training, and on using online tools to help incumbent workers boost their skills without sacrificing productivity.

Electronics Manufacturing/ Service Providers Industry Partnership

The Electronics Manufacturing/Service Providers Industry Partnership, or EMSIP, was established as a communication and collaboration medium for the industry across the 14 counties that make up the Northwest, North Central and West Central Workforce Investment Boards. The partnership expanded its mission to become the leading resource for the transition to environmentally conscious manufacturing for the electronics industry across the commonwealth.

Impact

The EMSIP coordinates the training of employers and employees in understanding and implementing lead-free manufacturing and recruiting new employees to the electronics manufacturing sector. The partnership includes 27 employers from 14 counties, along with 12 economic development organizations and a national training specialist.

Through this partnership, more than 1,570 employees have been trained in applying new methodologies and technologies for reducing or eliminating hazardous substances in electronics manufacturing. The partnership has sponsored six webinars addressing environmental legislation and compliance, with 350 participants from across the commonwealth.

Southeast PA Long Term Care Consortium

The Southeast PA Long Term Care Consortium in Bucks County was formed to address chronic turnover in the long-term care field. Many entry-level workers were leaving their jobs because of problems with their supervisors.

A big challenge in providing courses like supervisory training was that workers couldn't access the training at the hospitals because they lived too far away or worked a shift that conflicted with training times.

Impact

The consortium implemented a shift to online learning so long-term care workers, who work the night shift, have the same opportunity to learn and train as others. The training is now Internet-based so that workers can access it at any time. Thirty companies participate in the Southeast PA Long Term Care Consortium, and more than 500 people have been trained through the partnership.



PROMOTING INDUSTRY-RECOGNIZED CREDENTIALS

Pennsylvania has experienced persistent labor shortages in several key occupations – including nurses, truck drivers and production supervisors. The reasons for these shortages vary, but their effect is the same: they hinder a company's ability to deliver products and services, impacting that company's bottom line.

Many occupations that are currently experiencing labor shortages are also considered high-demand within their industries. For these high-growth jobs, companies are struggling to recruit enough skilled workers to meet the rising demand. Still other occupations are experiencing labor shortages because workers lack opportunities for growth. The following partnerships have developed industry-recognized credentials and training programs that add value to employees and provide additional skills needed by employers.

Allegheny Hardwood Utilization Group

The Allegheny Hardwood Utilization Group, or AHUG, wood and lumber Industry Partnership was formed to address workforce issues specific to the hardwood industry located in northwest and north central Pennsylvania.

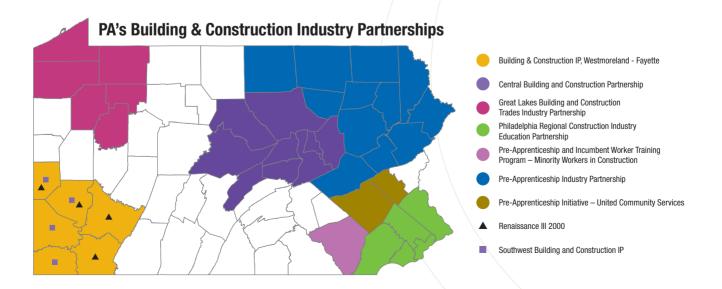
This newly created program certifies lumber graders through the National Hardwood Lumber Association, or NHLA. Many lumber companies require NHLA-certified lumber graders for their operations. Previously, Pennsylvania lumber companies were forced to send their grading trainees to a 14-week NHLA training course out of state, placing a financial burden on the companies from the cost of the training, travel expenses and labor shortage.

Impact

Recognizing the need to create a local training course for grading certification, the AHUG Industry Partnership worked with a number of partners to make the Pennsylvania grading certification course a reality.

The NHLA certification training is provided in a 10-week course at an area community college, with the first training classes now underway. State funding assistance will significantly reduce the financial burden to employers.

Tuition for the new Pennsylvania training program is about \$2,700 per person, with 75 percent of that cost eligible for reimbursement to companies in the AHUG partnership. Previously, the cost of sending an employee out-of-state for the identical certification was up to \$10,000 in tuition and expenses per employee.





The Industry Partnership grant has allowed us to be more competitive by offering these training sessions so our employees can be more effective and efficient in completing their job tasks.

Thomas Donlick,
 Human Resource/
 Risk Manager
 Wise Foods, Inc.

Central Pennsylvania Factory-Built Housing Partnership

Pennsylvania is home to more than 40 modular housing manufacturers (more than any other state at this time). The industry found itself in need of more skilled workers and a new strategy for gaining the attention of traditional site builders to use modular construction.

The Central Pennsylvania Workforce Development Corp. selected the Factory Built Housing Center at the Pennsylvania College of Technology in Williamsport as the project manager for this partnership. Nearly three dozen companies in this industry are working together in central Pennsylvania to solve their common workforce challenges and change the image of the industry.

Impact

The group started by conducting a job task analysis to clearly identify the necessary skills their workers needed to perform their job. From there, skill-specific training was conducted. The group then completed a strategic plan to identify ways to grow the business during the current downturn in construction.

Among the partnership's most innovative programs is the focus on "green building" strategies and providing Energy Star Certification for modular construction, bolstering the competitive position of the industry, while at the same time improving the overall skill levels of workers. More than 550 people have been trained through this partnership.

Manufacturing Industry Partnership of Southwestern PA The Compete Initiative

The Manufacturing Industry Partnership of Southwestern PA, or SWPA MIP, was formed in response to a critical shortage of skilled workers in the manufacturing industry due to an aging workforce, the development of specialty niches demanding new knowledge and competencies, skill/training gaps and the public perception that manufacturing is a dying industry.

In order to remain profitable and competitive in a global marketplace, the SWPA MIP recognized that it must recruit skilled workers, identify and train incumbent employees for higher-end jobs and manage its workforce more effectively by creating recognized credentials and establishing human resource policies that support life-long learning.

Impact

The SWPA MIP started the Compete Initiative, which trains incumbent workers. More than 85 companies have been assisted by this project, which supports the development of technology applications to improve productivity and quality, resulting in swifter product innovation, market expansion and process improvement.

Through this program, 1,634 employees from the 60 participating industry partners have been trained. Also, 90 percent of companies who responded to the SWPA MIP's 2007 Annual Compete Survey reported an increase in sales over the reported time period. Youth are targeted through activities such as BotsIQ and Adventures in Technology, which help students learn about manufacturing and introduce them in meaningful ways to local manufacturers.

Progress Through

Partnerships

Pennsylvania's Industry Partnership strategy has won recognition from the U.S. Department of Labor, the National Governors Association, the Brookings Institution and national foundations. The Industry Partnership model — and Pennsylvania's workforce development system as a whole — was built with the following core principles in mind: It must be industry-led, demand- and data-driven, accountable to high-performance standards and encourage entrepreneurship and innovation.

With the Industry Partnership program as its foundation, Pennsylvania and its industries have begun to invest in a fundamentally new workforce and economic development approach, an approach that has achieved great results, with potential for even greater success.

Throughout most of the 20th century, Pennsylvania was known as an industrial pioneer. That era has long since passed, and Pennsylvania is now part of a more diverse global economy. Pennsylvania's investments in the Industry Partnership initiative represent a strategic effort to further establish the Keystone State as a national economic leader – in the 21st century and beyond.

For more information on Industry Partnerships and all of Pennsylvania's workforce development programs, call the PA Workforce Investment Board at **717-772-4966**, email **ra-li-pawib@state.pa.us** or visit **www.paworkforce.state.pa.us**.



Commonwealth of Pennsylvania

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Department of Labor & Industry

David Malone, Chairman, PA Workforce Investment Board

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