

Next Generation Michigan Skills Alliances
December 3, 2009
10:00am-11:00am

Questions and Answers:

Question: Why is the state launching a next generation of Michigan Skills Alliances?

Answer: Michigan was one of the first states to engage in regional and sectoral strategies as a workforce development model through the creation and launch of the Michigan Regional Skills Alliances (MiRSA) five years ago. With the launch of the Michigan Skills Alliance, we are building upon what we have learned from the 36 existing MiRSAs to improve our ability to meet the workforce needs of employers and to align with the Governor's No Worker Left Behind program.

Question: What are the key elements of a Michigan Skills Alliance?

Answer: A successful alliance will have the following key elements:

Employer Driven: Regional and sectoral alliances are more effective when employers' workforce needs are central to the alliance. Employers often present a galvanizing issue that draws in other partners and stakeholders to help create solutions.

Outcomes Driven: The jointly developed, customized solutions developed by Michigan Skills Alliance partners have the greatest impact with clearly defined goals and outcomes. The goals and outcomes work well because they are a targeted (not assumed) response to identified workforce opportunities.

Effective Conveners: For employers, educators, workforce developers, and community leaders to work together, a Michigan Skills Alliance requires neutral individuals or entities that have industry expertise and credibility. It's the job of the convener to facilitate discussions about regional or sectoral workforce needs; to listen for common challenges; and to bring multiple stakeholders together to design and implement joint, customized solutions.

Sustainable: An enhanced partnership structure and comprehensive funding support mechanism drives the sustainability of Michigan Skills Alliances. Michigan Skills Alliances emphasize a strengthened partnership structure which includes employers, workforce developers, community colleges/universities, and the Department of Energy, Labor and Economic Growth. Extensive leveraging of funds from the private sector, foundations, federal, state, and local sources, drives funding support.

Inclusive of Multiple Stakeholders: Collaboration builds on the strengths of individual organizations to develop and provide the highest quality regional and sectoral workforce development strategies available. Inclusivity ensures customized solutions and focused outcomes.

Question: Can a Business Solutions Professional be a convener?

Answer: Conveners typically are organizations that can serve the alliance in a neutral role. They come in many forms. A few of the organizations eligible to serve as conveners include: an industry association; a labor organization; a post-secondary education institution; or a non-profit organization.

Question: What are some examples of compelling workforce development needs identified by employers?

Answer: There are several existing examples of compelling needs or galvanizing issues identified by industry including:

1. The Michigan Academy for Green Mobility formed when employers identified a need for engineers with the skills to work on energy efficient cars. Employers have an immediate need for their engineering staff to learn how to go from concept to prototype in the energy efficiency and renewable energy without requiring them to go through another bachelors, masters, or doctorate degree. The training is short term and credit based, allowing individuals to accumulate additional credits to earn another degree. The result of addressing this galvanizing issue is a 14-week course that 175 engineers have already gone through and another cohort begins in January of 2010.
2. The plastics industry has begun to identify from a regional perspective, a need for entry-level job training. These entry-level workers may not have finished high school and they need specific training on equipment that can lead to a portable certificate.
3. The tool and die industry employers also identified the need for entry-level training so the staff can receive different certificates of training that lead to apprenticeships.

There are a variety of models to consider. The galvanizing issue is going to be specific to the area, the industry, and what the industry's specific workforce needs are.

Question: Is there any funding available for current MiRSAs?

Answer: Yes. If you are a current MiRSA, you may submit a proposal in response to the MiSA Request for Proposal (RFP). The RFP response must demonstrate an expansion of the work the MiRSA is currently doing. The expansion may be in the form of a wider geographical area, a different industry sector or focus, or expanding workforce training. More information on the required criteria is included in the RFP document posted on the RSA web site www.michigan.gov/rsa.

Question: How are the 36 existing MiRSAs sustaining themselves now that DELEG funding is exhausted?

Answer: MiRSAs utilized various models to sustain alliance operations including:

1. The “membership model” where all members/employers that are a part of the alliance pay annual dues. The amount of the annual dues accessed is determined by the alliance.
2. The “pool-based model” where all the employers within the alliance pay into a pool based on number of employees. The pooled dollars are then leveraged against funds that the Michigan Works! Agency (MWA) utilizes in the No Worker Left Behind program.
3. Another model exists where, in combination with the MWAs, employers pay a portion of the operational cost of the alliance. Once again, the models will vary and it depends upon the type of alliance, the galvanizing issue, the industry represented, and the region covered.
4. Some alliances that are also responding to competitive solicitation for federal grants offered by the Department of Energy or the Department of Labor, and various state departments. Alliances are typically in a very good position to apply for federal dollars that are competitively offered from some of the federal agencies due to the rich level of partnership and collaboration that is already established.

Question: Are new MiSA's going to be considered for support, or just existing MiRSA's?

Answer: Existing MiRSAs and new MiSAs are both eligible for consideration.

Question: Can a portion of the financial award to Michigan Skills Alliances go directly to private sector companies as incentives to participate or provide leadership to the alliance?

Answer: Offering cash incentives to encourage employers to participate in an alliance is not an eligible use of MiSA funds. However, bringing together multiple stakeholders to design and implement joint customized solutions is an incentive for employers to participate.

Question: Please explain the need for linemen positions in the utilities sector. Does this mean that companies like Consumer Energy will participate and train people?

Answer: Utility companies would be able to train their workforce through their participation in an alliance. The State of Michigan is applying for a grant under the American Recovery and Reinvestment Act (ARRA) of 2009 for a little over four million dollars to train four different categories of employees in the utility industry including: linemen, substation operators, plant maintenance, and engineering technicians. If the State is successful in this grant opportunity, the funds will flow through the Utility

Workforce Development Consortium, which is an existing Michigan Skills Alliance convened by DELEG, Bureau of Workforce Transformation.

Question: Are RSA's limited to the industry sectors identified in the webinar?

Answer: No. The criteria structure in the RFP awards extra points if the focus is on regional areas where there is some momentum or regional growth or on industry sectors where there is projected growth.

Question: What is the DELEG's budget for this regional sectoral initiative?

Answer: DELEG has a few different funding opportunities for regional and sectoral strategy activities:

1. DELEG is applying for funds from the Departments of Energy and Labor. The department is going after all funding that is available. DELEG currently has submitted proposals on the federal level in excess of \$11 million dollars;
2. Back in August 2008, we announced the Green Jobs Initiative and allotted \$6 million dollars broken out into three areas of workforce enhancement: \$3 million to support green-related occupational training; \$1.5 million dollars for the establishment of green regional and sectoral alliances; and \$1.5 million dollars to support of capacity building with post-secondary training; and
3. We also have a budget line item of \$1 million dollars this year to establish non-green regional and sectoral alliances. When we speak about leveraging funds, we are not only talking about at the alliance level; DELEG is working very hard to partner and leverage funds that support alliance development, implementation and operation as well.

Question: Do you have to choose between applying for support of either a regional or a sectoral?

Answer: Yes, you must choose either a regional or a sectoral focus.

Question: What does this new model mean to current MiRAs that are self-sustaining?

Answer: The Michigan Skills Alliance model emphasizes a distinction between sector focused alliances and regionally focused alliances. In the MiSA Regional Skills Alliance model, a range of leaders (i.e., community-based, faith-based, employers, educators, government, etc.) organize Regional Skills Alliances within a region with goals such as community reinvention, improving overall educational attainment, or solving workforce issues that cut across multiple industries and occupations. Employers in a single industry who develop workforce strategies in partnership with educators and workforce developers to address shared workforce needs, on the other hand, drive MiSA Sectoral

Skills Alliances. Their geographic coverage may be local, regional, or statewide. Training to increase the skills of workers is at the heart of Sectoral Skills Alliances.

MiRSAs who respond to the state's RFP supporting the MiSA model will have access to increased state support- both technical assistance and funding. Alliances can receive the following kinds of technical assistance from the state:

- ✓ Alliance Convening
- ✓ Strategy Development
- ✓ Labor Market Research
- ✓ Communications Linkages
- ✓ Regional and Sectoral Learning Network and Academy

State government is strengthening part of the funding platform for MiSAs by increasing the level of funding support competitively awarded to Michigan Skills Alliances.

Question: What is the benefit for current MiRSAs to change to a MiSA?

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Question: How can organizations compete with alliances being developed by the state?

Answer: Workforce development is not a competition; the state partners with local developers in working towards the same common goal.