

WE&T Sector Strategies Background, Definition and Application

INTRODUCTION

This document outlines the Investor-owned Utility (IOU) perspective on sector strategies. It is intended to offer clarity and specificity to key stakeholders active in the implementation of sector strategies that are led by an IOU or a key stakeholder with IOU support.

Resources referenced in the development of this document include:

- The California Workforce Education and Training WE&T Needs Assessment (NA)
- “Sector Strategy.org” website
- *State Sector Strategies Coming of Age: Implications for State Workforce Policymakers*, developed by the Woolsey Group and the National Governors Association

CONTEXT

The NA recommends that state-level WE&T planning should “emphasize sector strategies built on partnerships between business, labor and training and educational institutions.” The NA also recommends that the IOUs “initiate, help fund and partner with other organizations to develop robust sector strategies in key energy efficiency [and demand response (DR) and distributed generation (DG)] sectors...”

WE&T sector strategies are among the few workforce interventions that improve employment opportunities for workers, thus impacting local economies and beyond. Sector strategies help to reduce inefficiencies and streamline state efforts by coordinating various programs and braiding disparate funding streams intended for the same purpose.

The California Long-term Energy Efficiency Strategic Plan defines four economic sectors: Commercial, Industrial, Agricultural and Residential. Further, each of these sectors are made up of multiple components (often referred to as sub-sectors) such as building systems (e.g., lighting, and HVAC), technologies (e.g., lighting controls and manufacturing equipment) and occupations (e.g., electricians and architects), just to name a few.

DEFINITION

A sector strategy is a workforce development partnership program aligned with California’s energy goals.

A sector strategy addresses specific industry needs (i.e. skill gaps or employment development opportunities) to meet California’s energy goals for specific members of a region's energy workforce.

A sector strategy may include training, certifications, market incentives, information resources and job recruitment and placement strategies. The program **must have** employer support--employers commit to hiring/promoting trainees or assuring that trainees apply the skills they acquire as part of their jobs.

A sector strategy is designed and implemented by a group of stakeholders which, may include, but not be limited to, employers, manufacturers, academic institutions, trade organizations, community-based organizations, labor, state agencies, professional organizations and utility program managers.

Registered apprenticeships are a notable sector strategy best practice - state or federally accredited programs, they offer learn-and-earn training programs in a particular trade. Key criteria include standardized curriculum approved by industry partners in labor and management, fair and impartial selection processes, and work site supervision by journey-level workers of the same trade. Apprenticeships provide opportunities for regular advancement with increases in pay according to completion of classroom hours, testing and accumulated site training hours. Upon graduation, participants are awarded journey-level status by certifying government agency and in many cases, industry-recognized third party certification.

PRODUCTS OR DELIVERABLES

*Deliverables in this context are defined as products or outcomes which solve a specific workforce problem identified by industry and yield a **tangible benefit for the customer/student/job seeker**. The below is not an exhaustive or exact list as specific deliverables can vary across sector strategies. The deliverables should not be assumed to be the IOUs’ responsibilities solely as these are potential deliverables for the collaborative sector strategy **team**.*

Deliverable	Description of Deliverable	Resulting Outcome <i>***Intended to achieve the below outcome(s) over time</i>
Classes/Curriculum/Training Resources	Developing new classes or curriculum, refining existing classes or curriculum or developing new resources for both the student and the trainer.	A, D, E, G
Industry-recognized Certifications/Credentials	Supporting workers to achieve certifications or offering technical expertise around certification/credential specifications.	A, B, D, E, F, G
Utility Program Integration	Linking competencies and skill sets to utility incentives perhaps as a requirement for program participation.	B, C, F
Internships	Facilitating service-learning opportunities and critical relationships between job seekers and employers	A, D, E, G
Job Recruitment and Placement Strategies	Developing partnerships with the workforce investment system to facilitate job placement	D, G

OUTCOMES

SHORT-TERM OUTCOMES

- A:** Improvement of an individual’s EE, DR and/or DG Knowledge, Skills and Abilities (KSAs)
- B:** Increase in energy savings and progress towards the state’s EE, DR and/or DG goals

- C:** Increase in IOU program participation
- D:** Individual's career placement or advancement
- E:** Individual's attainment of Continuing Education Units (CEUs) or certifications, aka stackable credentials

LONG-TERM OUTCOMES

- F:** Increase in energy savings and progress towards the state's long-term EE, DR and/or DG goals
- G:** Increase in skilled workers needed to achieve the state's long-term EE, DR and/or DG goals

PROCESS/PHASES

The below steps outline the **general** process for developing a sector strategy.

Initiation and Planning

- Define the WE&T sector and primary area of focus.
- Define the performance gap or problem to be solved.
- Establish a lead organization and core leadership group. *Once a sector strategy is deemed necessary, a "champion" and group of leaders is critical to development and execution of the strategy.*
- Define the workforce spectrum. *Identifying the occupations that can contribute to the goals within a sector is necessary to apply strategic workforce investments toward those goals.*
- Create a common vision. *The leadership group provides a vision of the outcomes required to bridge the performance gap or solve the problem and develops a strategic approach to investing in workforce development.*
- Define the goals or deliverables.
- Identify and acquire funding.
- Specify employer support and expectations. *Confirm that a set of employers will participate in the process, that find value in the end goals/products, and that will send their employees to training programs and/or hire from these programs.*

Engagement and Leadership Development

- Engage stakeholders. *The leadership group cultivates a network of stakeholders, including employers, who share a common vision and commitment to developing the sector strategy. This is often done on a regional basis.*
- Refine the common vision. *The leadership group shares the vision and develops a value proposition throughout the stakeholder network.*

Implementation

- Develop an execution plan which includes scope, timeline and milestones.
- Develop and define metrics and measurement capabilities.
- Execute the plan.
- Engage in ongoing stakeholder communications.

Measurement and Ongoing Implementation

- Analyze and publish metrics.
- Refine the strategy, as needed.
- Scale the strategy, as needed.
- Incorporate best practices into a model.

CRITERIA

The following best practices are required for any sector strategy.

Best Practice	Practice to Avoid	Description of Best Practice
Multi-employer Focus	Single employer focus	The sector strategy is focused on the needs of multiple employers.
WE&T directly contributes to energy mandate	Insufficient evidence of potential contribution to energy mandate	The sector strategy helps to achieve energy mandates set by the CPUC and CEC.
Data-driven investment in WE&T	Insufficient data to support investment	The sector strategy is guided by data-driven investment decisions that produce the workforce outcomes needed to achieve energy mandates.
Multi-stakeholder partnerships that support the sector strategy with resources and expertise	Passive engagement by stakeholders	The sector strategy builds strong partnerships with employers, employer organizations, educators, workforce developers, labor and other stakeholders that address the skills needs of critical industries.
Applies appropriate geographic focus	Applies a top-down statewide strategy	The sector strategy is regional in nature, as supported by the data and stakeholder partnerships. It can be statewide, if supported by the data and stakeholder partnerships.
Multi-level leadership team, i.e., led by a Project Champion and supported by a project facilitator and strategic partners	Missing one or more elements of a multi-level leadership team	The sector strategy is led by a Champion, and includes a project facilitator and strategic partners to coordinate stakeholders and dialogue, support strategic development, identify and combine funding sources and support the development of customized workforce development solutions.
Builds sustainable and responsive career pathways	Builds isolated training classes outside of a career pathway approach.	The sector strategy builds training programs within a 'stackable credential' model that create sustainable career pathways.

Best Practice	Practice to Avoid	Description of Best Practice
Promotes employment and career advancement through committed and engaged industry participation	Employers fail to participate in training programs and/or demonstrate lackluster interest and support.	The sector strategy facilitates career onramps through employers who support and endorse the workforce strategy. As applicable, this may also include employers agreeing to first source hiring from workers who participate in sector strategy trainings.
Includes measureable outcomes	Includes outcomes which can't be measured or are vague.	The sector strategy can be shown to support the achievement of energy mandates.

The following include additional best practices that may be included, depending on the sector strategy focus and goals.

Best Practice	Description of Best Practice
Creates a replicable process	The sector strategy is based on a framework that can be scaled and used as a model to support other sector strategies.
Addresses low income/minority populations	Includes low income, minority, disadvantaged, rural or hard-to-reach communities. <i>(Note, the audience for each strategy will be different; these populations may not necessarily be relevant for every sector strategy or workforce intervention.)</i>
Integrates a strong communications or outreach platform	The sector strategy develops a strong communications plan or platform to link the varied group of stakeholders and ensure their ongoing engagement. Communications can take the form of a website, recurring meetings, communities of practice, other.
Establishes a clear linkage between WE&T and IOU resource programs	The sector strategy is based on a clear linkage between WE&T and resource programs (e.g., incentives, emerging technologies, codes and standards, other).