

# WORKSmart

Kentucky



A Strategic Transformation of  
Kentucky's Workforce System

2013  
UPDATE



KENTUCKY WORKFORCE INVESTMENT BOARD





KENTUCKY WORKFORCE INVESTMENT BOARD

August 15, 2013

Governor Beshear,

Over the past three years, the Kentucky Workforce Investment Board in cooperation with the Education and Workforce Development Cabinet and numerous partner cabinets, agencies and outside organizations has engaged in an aggressive effort to implement the strategic initiatives outlined in the *WORKSmart Kentucky* plan adopted in May 2010.

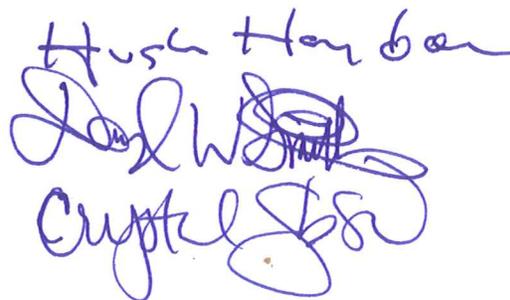
This blueprint for transforming Kentucky's workforce services focused on adapting to the changing needs of employers to create a demand-driven, business-led, solutions-based publicly funded talent development system for the commonwealth. In less than three years, 21 of 25 initiatives were implemented or had begun implementation, helping move Kentucky forward and serve as a national model for state boards, strategic planning and implementation of workforce innovations.

This plan update reflects the progress made to date, proposes modifications to some existing initiatives based on customer and partner feedback and advances the remaining four initiatives onto the agenda for the near future.

While we have achieved an unprecedented amount of success in a relatively short period of time, members of this board are not complacent and are excited to reenergize our efforts to complete the transformation we began in 2010.

The members of Kentucky Workforce Investment Board are pleased to present you with an update to the plan that not only articulates a vision for moving Kentucky forward in the global competition for jobs, but reflects the innovation, creativity and collaborative spirit which has placed the Commonwealth back on top in the field of workforce development.

Respectfully,



EDUCATION & WORKFORCE DEVELOPMENT CABINET  
Office of the Secretary

502.564.0372  
VOICE

Capital Plaza Tower, 3<sup>rd</sup> Floor  
500 Mero Street  
Frankfort, KY 40601  
[www.kwib.ky.gov](http://www.kwib.ky.gov)

502.564.5959  
FAX



KENTUCKY WORKFORCE INVESTMENT BOARD

Judy Rhoads  
Rick Christian

Ashley Parrott

Paulette  
Ken D. Stahl

James Hark  
Dale Winkler  
Helen Jones

Michael D. McCall

Steve Wynn

Rarry Clark

James T. Cole

Bill A. Dinkley

Tony Zawacki

J. Higgins

Julie A. Combs

Rexanne Jones

Mary E. Lesette

Sen Paul Houbak

Gary Roberts

Emery

Spencer A. Year

Joseph A. Driskop

Kenneth E. Allen

George Steele

Robert H. Stewart

OK Pannan

Sandra Higgins Stinson

Rebecca Hampton

Lara Needham

Thomas Volte

Kevin Shurr

Richard H. Wilson

EDUCATION & WORKFORCE DEVELOPMENT CABINET  
Office of the Secretary

502.564.0372  
VOICE

Capital Plaza Tower, 3rd Floor  
500 Mero Street  
Frankfort, KY 40601  
www.kwib.ky.gov

502.564.5959  
FAX

## Contents

|   |    |
|---|----|
| Acknowledgements .....  | 3  |
| Plan Update rationale/process .....                           | 7  |
| Using this Document .....                                     | 7  |
| <b>Planning Context</b>                                       |    |
| Economy .....   | 11 |
| Global Competition for Jobs .....                             | 13 |
| Positioning Kentucky's Workforce for Global Competition ..... | 13 |
| Progress .....  | 14 |
| Performance Measures .....                                    | 15 |
| <b>Major Initiatives – Next Steps</b>                         |    |
| Entrepreneurship .....  | 19 |
| Earn & Learn Opportunities (formerly Apprenticeship) .....    | 21 |
| Accelerated GED (formerly GED Express) .....                  | 24 |
| Economic Development Academy .....                            | 27 |
| Tech High Phase II .....                                      | 30 |
| <b>Initiative Modifications and Enhancements</b>              |    |
| Sector Strategies .....                                       | 35 |
| Kentucky Work Ready Communities .....                         | 37 |
| Business Services Redesign .....                              | 38 |
| Accelerating Opportunity Kentucky .....                       | 41 |
| Career Center Customer Flow .....                             | 44 |
| <b>Initiatives Updates</b>                                    |    |
| System Transformation Action Steps                            |    |
| Sector Strategies .....                                       | 49 |
| Branding & Identity .....                                     | 50 |
| One Stop Certification .....                                  | 51 |
| User-Friendly Online Services .....                           | 52 |
| National Career Readiness Certificates .....                  | 53 |
| Eligible Training Provider List .....                         | 54 |
| Education Alignment Action Steps                              |    |
| Tech High (Phase I) .....                                     | 55 |
| High School Outreach .....                                    | 56 |
| Economic Development Action Steps                             |    |
| Kentucky Work Ready Communities .....                         | 57 |
| Business Services Redesign (formerly Rapid Response) .....    | 58 |
| System Simplification Action Steps                            |    |
| Alphabet Soup .....   | 59 |
| Partner for Success .....                                     | 60 |
| Team-based Case Management .....                              | 61 |
| High Impact Workforce Boards .....                            | 62 |
| Customer Service Action Steps                                 |    |
| Workforce Academy .....                                       | 63 |
| (Branding) Outreach .....                                     | 64 |

---

**Implementation**

Implementation Structure ..... 67  
Project Champions & Managers..... 69

## Acknowledgements

The Honorable Steven L. Beshear, Governor

Thomas O. Zawacki, Secretary, Education and Workforce Development Cabinet

### Kentucky Workforce Investment Board

#### Chair

Edward Holmes (e)  
President  
EHI Consultants

#### Vice-Chair

Hugh Haydon (e)  
CEO  
Kentucky BioProcessing, LLC.

#### Members

Kenneth Allen  
Vice President of Operations  
Armstrong Coal Company

Dr. Oliver (Keith) Gannon  
CEO  
BONEAL, Inc.

Larry Bond  
Chief of Staff  
Governor's Office

Crystal Gibson (e)  
Vice President of Public Affairs  
Citi, Inc.

Beth Brinly  
Commissioner  
Education and Workforce Development  
Cabinet  
Office of the Secretary

Joe Grieshop  
Judge Executive  
Harlan Kentucky

Rick Christman  
CEO  
Employment Solutions

Debra Hampton  
Nursing Instruction  
UK College of Nursing

The Honorable Larry Clark  
State Representative  
Kentucky General Assembly

Larry Hayes  
Secretary  
Kentucky Cabinet for Economic  
Development

James Cole  
Consultant  
The Cole Group

The Honorable Jimmy Higdon  
Senator  
Kentucky General Assembly

The Honorable Leslie Combs  
State Representative  
Kentucky General Assembly

Sandra Higgins-Stinson  
President  
The Thomas Group

Roxann Fry  
Senior Consultant-Economic Development  
Tennessee Valley Authority

Dr. Terry Holliday  
Commissioner  
Kentucky Department of Education

The Honorable Paul Hornback  
Senator  
Kentucky General Assembly

Scott Pierce  
Education, Security and Strategic Planning  
(Self Employed)

Dr. Robert King  
President  
Council on Postsecondary Education

Dr. Judith Rhoads  
President  
Madisonville Community College

Herb Krase  
Senior Vice President of Administration  
Toytetsu America Inc.

Larry Roberts  
Secretary  
Kentucky Labor Cabinet

Mary Lassiter  
Secretary, Governor's Executive Cabinet  
Office of the Governor

Kevin Shurn  
President  
Superior Maintenance Company

Heidi Margulis (e)  
Senior Vice President  
Humana, Inc.

Daryl Smith (e)  
Project Manager, Economic Development  
L G & E and KU

Srini Matam  
General Manager  
TEMA-Toyota Motor Engineering and  
Manufacturing North America

George Steele  
Mayor  
City of Grayson

Dr. Michael McCall  
President  
Kentucky Community and Technical College  
System

Bob Stewart  
Secretary  
Kentucky Tourism Arts & Heritage Cabinet

Dr. Lara Needham  
Department of Communications, Faculty  
Bellarmine University

Colonel David E. Thompson (Retired)  
BRAC/Commission on Military Affairs  
Office of the Governor

James Neihof  
Superintendent  
Shelby County Schools

Thomas Volta  
Vice President, Human Resources  
United Parcel Service

Kelly Nuckols (e)  
CEO/General Manager  
Jackson Purchase Energy Corp

Steven Willinghurst  
Training Director  
Louisville Electrical JATC

Richard Wilson  
Banker  
BB & T

*(e) Executive Committee*

**Staff**

Tom West  
Executive Director

Steve Rosenberg  
Executive Assistant

**Partners**

Dr. Jay Box  
Kentucky Community and Technical College  
System

Lori Collins  
Office of Employment and Training

Ron Crouch  
Office of Employment and Training

Robert Curry  
Cabinet for Economic Development

Donna Davis  
Kentucky Community and Technical College  
System

Erik Dunnigan  
Cabinet for Economic Development

Mike Donta  
Kentucky Labor Cabinet

Kimberly Huston  
Nelson County Economic Development

Mark Johnson  
Cabinet for Economic Development

Stuart Johnston  
Education Workforce and Development  
Cabinet

Charles McGrew  
Kentucky Center for Education and  
Workforce Statistics

Linda Prewitt  
Office of Employment and Training

Shawn Rogers  
Cabinet for Economic Development

Brian Roy  
Kentucky Association of Counties

Holland Spade  
Cabinet for Economic Development

Nancy Spivey  
Kentucky Chamber of Commerce

Reecie Stagnolia,  
Kentucky Adult Education  
Council on Postsecondary Education

Mary Taylor  
Office of Career and Technical Education

David Walters  
Kentucky Adult Education

Dr. Christiana Whitfield  
Kentucky Community and Technical College  
System

Dr. Dale Winkler  
Kentucky Department of Education

**Local Workforce Investment Areas**

*Chairs:*

Jay Ingram  
Barren River

Daryl Smith  
Bluegrass

Wendell Emerson  
Cumberlands

Rocky Adkins  
EKCEP

George Burkley  
Greater Louisville

Karen Cecil  
Green River

Mo Miller  
Lincoln Trail

Debby Combs  
Northern Kentucky

Roger D. Russell  
TENCO

Jackie Jones  
West Kentucky

*Directors:*

Debbie McCarty  
Barren River

Jennifer Compton  
Bluegrass

Darryl McGaha  
Cumberlands

Jeff Whitehead  
EKCEP

Michael Gritton  
Greater Louisville

Tonya Logsdon  
Green River

Sherry L. Johnson  
Lincoln Trail

Barbara Stewart  
Northern Kentucky

Denise Dials  
TENCO

Sheila Clark  
West Kentucky

**Special Thank You**

Joseph U. Meyer, Former Secretary, Education and Workforce Development Cabinet

## Plan Update Rationale and Process

In August 2012, the Kentucky Workforce Investment Board voted to update the *WORKSmart Kentucky Strategic Plan* earlier than originally anticipated due to the fact that a large number of strategic initiatives had been or were being implemented. The board's decision was based on the fact that changes were occurring at every level of the public workforce development system at a rapid pace and an update would provide an opportunity to check on progress and realign strategies with changing economic and social forces.

The process adopted by the board included validating the board's vision and goals for the workforce system, analysis of the current status of each of the 25 strategic initiatives, recommendations for modifications to the initiatives if warranted and in-depth committee work on several key initiatives which had not begun implementation, including those focused on apprenticeships, entrepreneurship, economic development training and phase two of the technical education initiative.



Additionally, it was determined that a special section about performance assessment should be included so that the board might better evaluate the effectiveness of the plan and its strategic initiatives in the context of the overall system and key indicators in Kentucky's economy.

The draft plan was reviewed by the full board and approved on May 16 during the regular meeting of the board.

## Using this Document

This update is designed to be used in conjunction with the original *WORKSmart Kentucky* strategic plan adopted by the Kentucky Workforce Investment Board in May 2010. The original plan is available for download on the Kentucky Workforce Investment Board website at <http://kwib.ky.gov/>

### Planning Context

This section provides readers with an overview of the economic conditions and other factors which influenced the development of the original plan as well as this update.

### **Performance Measures**

This section is a new narrative which describes how the board intends to evaluate the effectiveness and transformation of the workforce system generated by the strategic initiatives proposed by the original plan as well as the modifications proposed in this update.

### **Major Initiatives**

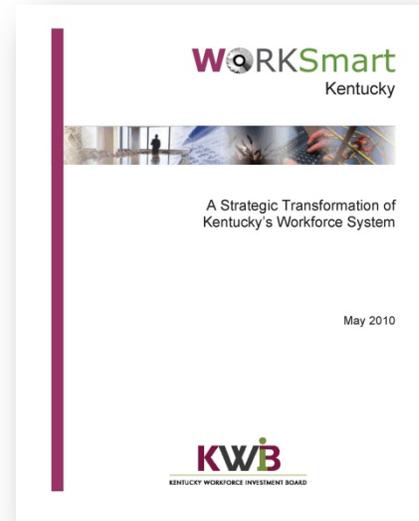
While a large number of initiatives have been implemented since the adoption of the original document in 2010, others have not. This section identifies those projects and provides a new framework for each strategy based on current market forces and social conditions. The narratives included in this document are considered replacements of corresponding initiatives from the original plan in their entirety.

### **Modified Initiatives**

Based on the changing economic and social conditions, several initiatives have been revised. The narratives found in this document should be regarded as supplementary to the original project narratives in the plan.

### **Initiative Updates**

Graphic representations and key highlights of the current status of the majority of initiatives are contained in this section. This provides a snapshot of progress as of June 30, 2013, for each initiative presented.



# Planning Context





## Planning Context

The original *WORKSmart Kentucky* plan was written and adopted in May 2010. The context in which this plan was developed included:

- A new state workforce investment board had just been appointed by the Governor to replace a board which had not met in more than a year.
- The new board was given a challenge by the Governor to create a plan to transform the state's workforce development system from one which managed prescribed federal programs to one which developed solutions based on demand and guided by the needs of business and industry.
- Leadership of the board and the Education and Workforce Development Cabinet included professional community planners with experience in stakeholder engagement and implementation strategies.
- The secretary of the Education and Workforce Development Cabinet and commissioner of the Department of Workforce Investment made implementation of the plan the top priority for staff at all levels.
- The chairman of the Kentucky Workforce Investment Board appointed members to serve as project champions with responsibilities to oversee the implementation of specific initiatives within the plan.
- Cabinet leaders assigned existing system staff to serve as project managers with responsibility for managing the day-to-day activities related to implementation of specific transformational changes tied to the initiatives.
- America was just beginning to emerge from the "Great Recession" of 2008 and job creation was the slowest of all economic indicators to show signs of improvement. In fact, many Kentucky counties were still hemorrhaging jobs and unemployment rates in some counties were still in double digits.
- A significant amount of federal funding was available to affect change in the workforce system through the American Recovery and Reinvestment Act. These funds were added to existing streams such as the Workforce Investment Act and others. The deadline to expend these funds contributed to simultaneous implementation activities for a large number of initiatives.

In the summer of 2012, the board determined that sufficient progress had been made toward implementation of a significant number of strategic initiatives proposed by the plan that an update was warranted. This was followed almost immediately by a U.S. Department of Labor monitoring report in which the Kentucky Workforce Investment Board was cited as a model board for other states.

## Economy

### Kentucky's Jobs Deficit

According to an article published by the Mountain Association for Community Economic Development, Kentucky has a jobs deficit that could take several years at the current rate of growth to achieve full recovery and account for the growth in the state's population.

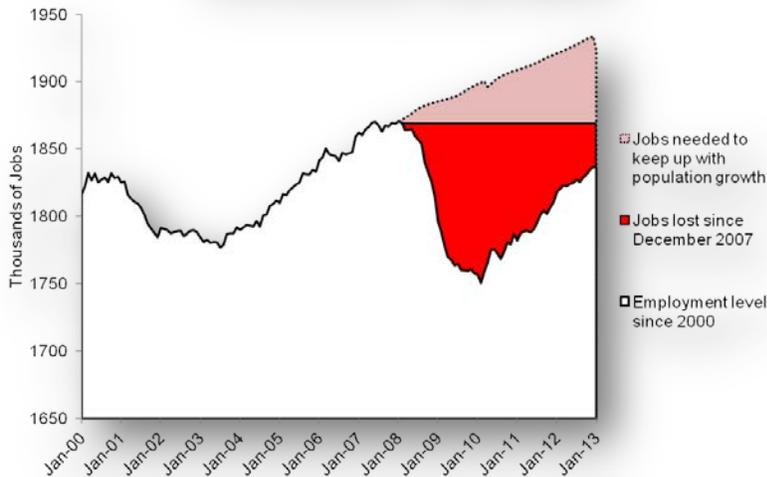
The state's jobs deficit is the gap between existing jobs and jobs needed to replace those lost in the recession and catch up with growth in the population.

---

According to the article, the commonwealth has added, on average, about 1,500 net new jobs a month since February 2012. At the worst point in the recession, Kentucky lost an estimated 118,300 jobs. The state has only gained 85,700 of those jobs back for a net loss of 32,600.

However, 54,900 additional jobs were needed over that time to keep up with population growth, for a total current jobs deficit of 87,500.

### The Kentucky Jobs Deficit



If job growth could accelerate to 2,500 jobs a month, it would take about three years—until January 2016—to get back to the pre-recession unemployment rate. At the current level of 1,500 new jobs a month, it will take much longer.

The state’s job story could be made worse by the impact on the economy of new federal sequestration-related budget cuts and the elimination of the temporary payroll tax cut at the end of 2012.

SOURCE: Kentucky Center for Economic Policy, “Kentucky Remains Long Way from Employment Recovery,” March 21, 2013.

### Kentucky’s Job Creation

Good news for job creation came in early March 2013 when Site Selection magazine’s annual Governor’s Cup rankings placed Kentucky 10th in the nation for new and expanded industry activity in 2012.

In 2012, Kentucky announced 354 location or expansion projects, resulting in 14,075 projected new full-time jobs and a capital investment estimated at nearly \$2.7 billion.

Kentucky has finished among the top 15 states in the nation in job creation for the last five years in a row.

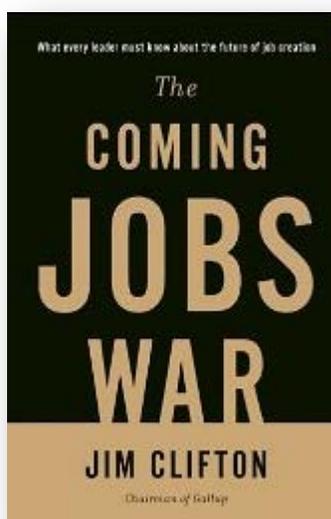
Site Selection, an Atlanta-based publication, has rated the states annually since 1978. The ranking is based on a state’s total number of qualified projects as tracked by Conway Data Inc.’s New Plant database.

Conway Data’s rankings are regarded by corporate real estate analysts as “the industry scoreboard.” The magazine’s circulation base consists of 44,000 executives involved in corporate site selection decisions.

## Global Competition for Jobs

Advances in technology and transportation have leveled the playing field for many businesses in terms of locating their operations. Manufacturing, business services and many other sectors of the economy are no longer compelled to locate near their markets and customers. According to economic development publications such as Site Selection, Area Development and Forbes, community assets such as infrastructure, utility rates and financial incentives have been replaced by the presence of a skilled workforce as the top determining factor for most businesses in making location decisions.

In his recent book, *The Coming Jobs War*, Gallup CEO Jim Clifton describes the need for elected officials at all levels, from world leaders to local mayors, to make talent development a top priority. Based on results of his company's first-ever world poll, Clifton asserts that the one common desire for people across the globe is to have a good job.



His research shows that there are more than 3 billion people on the planet who aspire to hold a family-sustaining job, but there are only 1.2 billion such formal jobs in existence. That shortage of 1.8 billion jobs is an indicator that the battle for attraction and retention of business and industry is likely to replace religion, natural resources, terrorism and other traditional causes for instability and national conflicts.

The solutions he promotes include better investment decisions for talent development and the creation of an entrepreneurial culture to help communities, states and nations grow their own businesses with community roots and potential to expand their operations at home.

## Positioning Kentucky's Workforce for Global Competition

The engagement of some of Kentucky's top business and industry leaders in the development of the WORKSmart Kentucky plan in 2010 enabled the commonwealth to begin working to transform its workforce system to meet the challenges of global competition even before the Gallup poll and Clifton's subsequent book were released.

This foresight on the part of members of the Kentucky Workforce Investment Board and the dozens of other stakeholders involved in formulating Kentucky's strategies for a new brand of workforce development system has resulted in a nationally recognized model for state workforce board activities and products as well as a strategic plan that has been the subject of interest of workforce leaders of at least 20 other states over the past few years.

Initiatives such as the state's commitment to investing public workforce dollars based on sector strategies; tying into industry partnerships as the drivers for curriculum and training priorities; and certifying the quality of a community's workforce based on six criteria determined by economic developers and business leaders through the Kentucky Work Ready Communities framework are driving change and interest in talent development at every level of government.

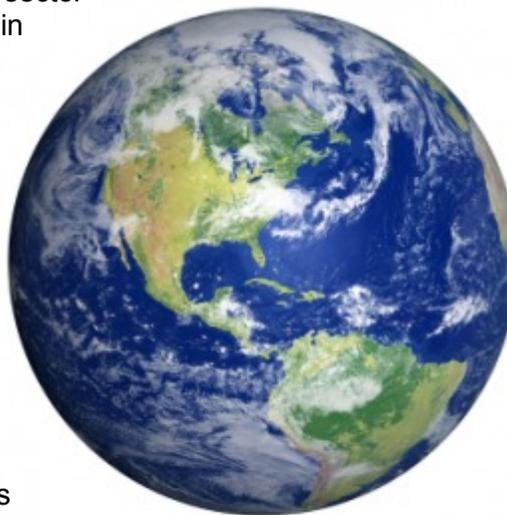
Moving a bureaucratically designed system to become demand-driven, business-led and solutions-based is no easy task. In addition to the time and resources invested, changing the culture of a system steeped in red tape, mired in programmatic restrictions and regarded by many as a social service rather than a resource for growth also requires a cultural shift both within and outside the organization.

To this end, efforts to redesign business services with an eye to becoming the consultant of choice on talent and workforce matters for the private sector throughout the business cycle, nurturing partners within the system, retraining all system staff and giving the system a new look, mission and value statement through the Kentucky Career Center brand are all designed to positively impact how the organization behaves and is perceived.

Because technology plays such a significant role in both the basis and methodology of site selection decisions, getting Kentucky's on-line presence positioned as a state-of-the-art source of labor market data, job matching service and training and career resource is a strategic priority.

In order to effectively position Kentucky's workforce as globally competitive into the future, additional strategies may need to be developed which will focus on such attributes as foreign language competencies, entrepreneurship and foreign trade, communications and cultural understanding.

Efforts will also be required to properly market Kentucky's talent assets and capabilities to train and deliver the skilled workforce required to meet the demands of business and industry. The KWIB has an established process of examining best or promising practices in the fields of workforce development and education and then giving them a Kentucky spin. This will likely need to expand beyond the borders of the United States in the future to assure that our students, workers and businesses have the same opportunities for global success as those in Europe, Asia and the Middle East.



## Progress

Over the past three years the Kentucky Workforce Investment Board has seen unprecedented successful implementation of 21 of 25 strategic initiatives, due in large part to the commitment of project champions, managers, the Education and Workforce Development Cabinet, local workforce investment boards, and partner organizations, agencies and cabinets.

The federal government has removed the Governor's discretionary set-aside funds from the financial resources states have available to make continuous improvements. Kentucky has invested its remaining set-aside funds to maximize the impact of initiatives already underway and to initiate work on an entrepreneurship model in collaboration with the Cabinet for Economic Development.

Other initiatives which will have an impact on Kentucky's ability to compete in the global economy include the development of sector strategies and the formation of industry partnerships; using the Kentucky Work Ready Communities framework to make talent development a sustainable local priority; redesigning how the workforce system relates to business and industry; providing local boards with a best practices model for becoming a high impact go-to resource in their regions; establishing foundational standards for certified Kentucky Career Centers; and building an online presence with artificial intelligence to match worker talent with business needs.

Rebranding the entire workforce system under the umbrella of Kentucky Career Center is focused on delivering on a promise to both business and individual customers and will position Kentucky as a simple, consistent and professional talent development and delivery service provider.

In order to fulfill that promise, internal culture changes began by promoting better collaboration among system partners and creating an academy to provide common training to all system staff regardless of agency affiliation.

More details about the status of these and other initiatives are included later in this update.

## Performance Measures

Each iteration of a federally funded employment and training program brings with it outcome measurements or performance standards. For the current array of federally-funded employment and training programs, there exists a set of common measures. The purpose of common measures is to align each funding stream with similar expectations with the desired result being a comparative analysis. The common measures include an entered employment rate an employment retention rate and an average earnings measurement. Simply put, common

measures identify those individuals who obtained and maintained employment, and measures the average increase in income from previous employment to new employment.



While the current set of common measures definitely moves the public workforce system in a direction of comparative evaluation, these measures do not necessarily reflect accurately all of the services being provided by the system nor do the measures identify those aspects of service delivery that could benefit from process improvement measures. To truly be a system focused on delivering quality services to all customers, measures focused on process improvement must exist. While the ultimate goal of the system is to provide a skilled and ready workforce to the businesses in the commonwealth, there are smaller, micro-level goals which should be established. Federal law provides governors with the authority to establish additional performance measures. In its role as advisor to the governor on workforce issues, the Kentucky Workforce Investment Board, in conjunction with the Kentucky Career Centers and with input from local workforce investment boards, should establish quantifiable process improvement goals.

---

As with any evaluation method, areas for process improvement can be identified and goals can be set. This, in turn, allows for objective evaluation of the system without subjective factors being a primary influence. Overall, system wide goals can be established, objectively measured and process improvement steps identified and implemented.

### **Key Performance Indicators**

The only way to gauge progress toward enhancing Kentucky's workforce competitiveness is to develop sound metrics of factors that relate to effective preparation for and participation in the workforce and to track these indicators over time. The team is refining and measuring this progress through the development of Key Performance Indicators in the following critical areas:

- College Readiness
- Education Attainment
- Education Alignment
- Sector Based Training Investment
- Alternative Pathways
- Lifelong Learning
- Career Readiness
- Sustainable Employment
- Earnings Level
- Unemployment
- Workforce Quality
- Service Content and Responsiveness
- System Usage
- Customer Satisfaction

The Kentucky Center for Education and Workforce Statistics is working with a data sub-group to identify data sources and availability, and define the metrics for calculating each of the Key Performance Indicators. The last three areas (service content and responsiveness, system usage, and customer satisfaction) have been discussed and will require additional discussion and possibly the creation of a survey to collect the information needed to calculate the Key Performance Indicators.

2010 will be used as the baseline for each metric with the exception of items for which data may not be available that far back. Kentucky Center for Education and Workforce Statistics will assist with the development of an initial draft report with the state level data which are available. The draft report was circulated in April 2013, and a second version with updates and additional information was circulated to the working group in May 2013. The draft report includes annualized data for each of the Key Performance Indicators from the baseline year forward to provide some information to help set goals at the state level as well as information about the availability of these data at the Workforce Investment Area and county level.

The long-term objective is to develop a web-based interactive dashboard to allow people who are involved in these issues at all levels to access information about progress toward goals. Initially the data is expected to be available at the state level but it is anticipated that where available it will also be provided for local Workforce Investment Areas and also at the county level. Kentucky Center for Education and Workforce Statistics will collect and report data on progress toward goals through the dashboard.

---

# Major Initiatives & Next Steps





## Entrepreneurship

The desire is to develop a culture of entrepreneurship in the Commonwealth of Kentucky. While there are numerous initiatives and programs in operation throughout the commonwealth, there is a need to better coordinate activities and create a support system that maximizes collaboration and the ability for individuals to access services. With the decline and reinvention of industries such as manufacturing, communities particularly those in rural parts of Kentucky, are in need of supportive networks that can grow businesses. Economic development can remain focused on business attraction and existing business retention and expansion but efforts focused on developing entrepreneurs to create businesses is a necessary addition.

The following tasks will be part of developing the framework to promote this culture.

- Develop a comprehensive asset map of entrepreneurship support resources, including type of support, type of education or training, and any success metrics available presented in a searchable database.
- Interview key stakeholders to gather data on current assets, challenges and opportunities related to entrepreneurship in Kentucky and identify duplication of services and opportunities for enhanced collaboration.
- Complete a needs assessment that identifies the gaps in services to entrepreneurs in Kentucky and recommendations for improvements.
- Create a model for the entrepreneurial support system in Kentucky that links various programs and initiatives.

### Strategic Benefit

This action provides increased opportunities for entrepreneurship in a culture of innovation. In an era of global competition for jobs, “growing our own” businesses could result in a larger number of smaller businesses employing Kentuckians in enterprises with roots in the commonwealth.



### Nature of Change

Administrative and legislative (possible support for angel tax credits).

### Cost

Estimate to develop program - \$50,000

This does not include training costs, as those will be covered by local formula funds. Other implementation costs will be determined based on needs identified in the framework.

### Implementation Timing

Program should be designed by June 30, 2013.

**Responsible Parties**

Cabinet for Economic Development  
Education and Workforce Development Cabinet  
Local Workforce Investment Boards  
Small Business Development Centers  
Colleges and Universities (two and four year)  
Innovation and Commercialization Centers  
Other Partner Organizations

**Consequences of No Action**

Entrepreneurship and small business growth is expected to drive economic recovery in the United States. Without the availability of entrepreneurship training and support, Kentucky will lag behind other states and likely miss opportunities to innovate and grow locally owned businesses, which are less likely to relocate and create unemployment issues in the future.

**Benefit to Local Areas/Clients**

Local areas have the opportunity to invest in creating businesses and employers with local roots providing more stability to the local economy. This also provides local workforce officials with additional opportunities to partner and collaborate with economic development professionals in the creation of new jobs.

**Potential Obstacles**

Local areas are unable to count new business startups as placement in employment in their US DOL performance measures.

Possible conflicts between Unemployment Insurance benefit regulations and entrepreneurial startup needs.

**Transparency/Accountability**

Local workforce investment boards and other training providers will be asked to provide quarterly reports to the state describing the number of participants who entered and completed training, approved business plans, referrals to financiers, and the number of new businesses and jobs created by trained individuals.

## Earn & Learn Opportunities *(formerly Apprenticeship)*

The board seeks partnerships to market the benefits of a variety of earn and learn opportunities, including registered apprenticeships (union and non-union) to Kentucky business. This “earn while you learn” approach to skills development for a wide variety of occupations in Kentucky has not come near reaching its potential as a tool for building a highly skilled workforce, helping business and industry increase their competitiveness, and providing sustainable wages for Kentuckians willing to work hard to raise their standard of living.

The Apprenticeship Sub-Committee identified some factors currently limiting apprenticeship training within Kentucky including:

- a misperception by business and industry that apprenticeships are only union and organized labor related;
- business and industry don't fully understand the benefits of apprenticeships;
- business and industry do not fully understand what is and is not permitted in the workplace and may be confusing child labor laws and risk management requirements leading to limited opportunities for students under 18 years of age;
- many in business and industry feel the return on investment from an apprenticeship program would be minimal; believing a lot of work would be involved to establish the program;
- misunderstanding of manufacturing and skilled trades; and
- the general public and the secondary school system do not fully understand the wages and benefits of the apprenticeable occupations.



In order to reach its potential with earn and learn opportunities and registered apprenticeships, a partnership is recommended to promote the benefits to business, industry and the potential apprentice, and to identify and address the positive aspects of apprenticeship and the misconceptions that restrict its implementation. The partnership should also provide guidance for business and industry about activities which are permissible under the child labor laws for students under 18 years of age.

These opportunities must be understood and promoted by the business service teams of each local workforce investment board, Kentucky Community and Technical College System's Workforce Solutions and other state partner agencies to become an integral part of the solutions-based business services model. To facilitate the unified marketing approach it is recommended that an umbrella brand be created which would be tied to the Kentucky Career Center branding standards and be inclusive of a variety of earn and learn options, such as apprenticeships, paid internships, and on the job training.

The use of an outside consultant to bring the diverse partners together, establish appropriate roles and develop a model framework similar to that proposed by the entrepreneurship initiative is recommended.

Registered apprenticeships and other learn and earn options benefit business and industry by providing them with a pipeline of skilled workers with industry-specific training and hands-on experience. Registered apprenticeship programs are customizable to match employers' needs, and highly flexible to meet changing requirements of business and industry. A wide variety of learn and earn models exist and could provide employers with choices tailored to their specific needs and capabilities.

The partnership should also look at promoting this educational/work alternative to secondary students through the promotion and development of pre-apprenticeship programs, such as the new TRACK (Tech Ready Apprentices for Careers in Kentucky) program within the Kentucky Department of Education's Office of Career and Technical Education.

Understanding of these alternative models would grow through the state's business services redesign program, aligning local and state partner agencies into local business service teams under each workforce investment area.

To test the model, a pilot geographic area and target sector should be selected for rollout with support and participation from regional stakeholders, then the model should be scaled up for statewide implementation. The KWIB must assure that statewide implementation and expansion to other sectors is forthcoming as soon as the pilot project demonstrates positive results or is evaluated and modified to produce the desired results. Initial geographic expansion could include targeting the supply chain of those manufacturers in the pilot area. Stakeholders within the Bluegrass Economic Advancement Movement area have demonstrated an interest in learn and earn opportunities and should be considered for the pilot initiative.

**Strategic Benefit:**

Provides business and industry with an alternative means of developing a skilled workforce by combining education and training with on-the-job experience.

Increases communication and collaboration between workforce boards and boards of education, technical education, postsecondary education, labor organizations and business.

Promotes educational options, including technical education, two-year and four-year college, apprenticeships, other learn and earn options, and specialty training to younger students.

Establishes the concept of life-long learning as a norm in the 21st century.

**Nature of Change**

Administrative in nature, no legislation required at this time. Collaborative effort between existing organizations.

**Cost**

Model framework development - \$75,000; training of workforce staff - \$25,000; outreach consultant - \$50,000

### **Implementation Timing**

Marketing study should commence as soon as possible with training to immediately follow.

### **Responsible Parties**

Kentucky Labor Cabinet  
Office of Employment and Training  
Cabinet for Economic Development  
Local Workforce Investment Boards  
Kentucky Career Centers  
Kentucky Community and Technical College System  
Kentucky Department of Education  
Office of Career and Technical Education  
Pilot Area Stakeholders

### **Consequences of No Action**

As apprenticeships grow in importance and evolve with new technologies, Kentucky could fall behind the rest of the nation, leaving our business and industry sectors less competitive and our workforce lacking the skills necessary to compete in the 21<sup>st</sup> century. Utilizing a state-wide apprenticeship program, business and industry would realize the benefits of a full trained employee pipeline.

### **Benefit to Local Areas/Clients**

As an alternative to traditional postsecondary education, registered apprenticeships will appeal to a segment of the population concerned about earning a wage immediately while developing skills through a combination of hands-on and classroom work. Apprenticeships also offer local workforce agencies an opportunity to discuss career pathways and training alternatives with customers.

Local business contacts will increase as the partnership promotes the benefits of the programs, opening the door to promote additional services offered by the state and local workforce system. Ultimately, apprentice programs across the state would become one part of employer services offered through state partner agencies.

### **Potential Obstacles**

Economic conditions could limit the expansion of the program during recovery until additional funding becomes available and demand is realized.

### **Additional Comments**

Kentucky currently has:

150 registered apprenticeship programs  
2,400 apprentices

70 percent non-union  
30 percent union  
60 percent manufacturing, service, utilities  
40 percent construction related

Currently funded through the general fund expansion package

Shortages are anticipated in the following trades – welders, lineman, maintenance technicians, and advanced manufacturing.

## Accelerated GED® (formerly Lodge & Learn)

For Kentucky to be successful, the nearly 410,000 Kentuckians age 18-64 (15 percent of the working-age population) without a high school credential must have the opportunity to prepare themselves for college and careers, an opportunity that Kentucky Adult Education programs provide. (2006-10 American Community Survey) Consider the following:

- The Kentucky Office of Employment and Training estimates that by 2018 some form of postsecondary education will be required for 29 percent of all jobs and 48 percent of new jobs in Kentucky.
- A person with a high school credential earns nearly \$9,500 more per year than a high school drop-out. The potential increased earnings for GED graduates in 2010-11 alone will be more than \$2.9 billion over a 30-year career.
- Parents are powerful educational role models. For Kentucky's schools to be successful, we must help adults achieve their educational goals.
- Individuals without a high school credential are more likely to be unemployed, three times as likely to be in poverty and eight times as likely to be incarcerated.
- Increased education has a positive effect on health status.
- Human capital infrastructure reflected as an educated and trained workforce plays a significant role in economic development efforts.

Students arriving at adult education programs test at different grade level equivalents. For those students who enroll testing at higher levels with a greater potential or need to take the GED® assessment in the near future, approximately 45 percent (based on a recent Kentucky Adult Education survey) of programs offer accelerated GED® preparation programs. Therefore, the Apprenticeship and Education subcommittee decided to focus on providing all programs with a micro website to give program staff all over the state access links to resources, shared best practices, sample syllabi, schedules, curricula, and avenues to connect with successful programs.

### Strategic Benefit

Increase the number of college- and career-ready GED® graduates.



Promote educational attainment, including transition to postsecondary education, technical education, apprenticeships and specialty training.

Generate community awareness of and investment in GED® instructional opportunities via partnerships and marketing/PR initiatives, thereby leading to increased student referrals.

### Nature of Change

Removes the barrier of time investment required by individuals to obtain the academic and skills preparation necessary for the jobs of the future.

### **Cost**

Kentucky Adult Education – In-kind

### **Implementation Timing**

Create a micro website which would include model frameworks/parameters with provision of sample resources. Preference is to start immediately.

### **Responsible Parties**

Kentucky Adult Education, Council on Postsecondary Education  
Kentucky Adult Education grant-funded programs statewide  
Local, community-based resources, e.g., United Way, banks, Lion's Club

### **Consequences of No Action**

Kentucky's ability to grow its human capital infrastructure and raise the educational attainment level necessary to compete economically will suffer. Kentucky Adult Education programs will not reap the benefits of best practices and resources that could reach students who may not otherwise be available for lengthy academic and skills preparation.

Employers see value in the GED® credential; in some cases, may be viewed as better than a high school diploma. Not implementing this progressive plan will constitute a missed opportunity to demonstrate the Commonwealth's commitment to innovate and provide business and industry with the skilled workforce they need to be competitive.

### **Benefit to Local Areas/Clients**

Students will benefit from programs offering expedited academic and skill preparation to earn a high school equivalency diploma (e.g., GED® credential).

Students who may not have the luxury of readily available childcare, transportation, and/or time off of work to pursue a high school equivalency diploma may be enabled by flexible timeframes and comprehensive preparation offered by accelerated GED® program services.

Local communities will benefit from citizenry who possess a high school equivalency diploma and are better able to pursue additional educational opportunities (e.g., on-the-job training, postsecondary education, apprenticeships, etc.).

### **Transparency/Accountability**

Assessment results. Students completing accelerated GED® programs will earn their high school equivalency diploma and/or gain an educational level gain (pre- and post-tests).

### **Additional Comments**

Auxiliary resources:

- Sample scripts for soliciting community funds for refreshments, scholarships for test fees, incentive (e.g., gift cards, etc.)
- Banks, United Way, churches, Rotary, Lion's Club are organizations that have been known to assist.
- If child(ren) of student are enrolled in school district, the associated Family Resource Center may pay for student's test-taking fee.
- Acknowledge sponsors with students.

*NOTE: The website will be a living resource and will evolve as changes occur in the high school equivalency assessment arena.*

---

### **Best Practices**

The Race to GED® initiative, a part of Virginia's workforce development system, began in 2003. The goal was to build a better-educated and more employable workforce in Virginia by doubling the number of GED® completers annually from 10,000 to 20,000.

The Virginia Department of Education's Office of Adult Education and Literacy (OAEL) was chosen to direct and oversee the initiative.

Between 1992 and 2002, an average of 10,311 Virginians passed the GED® test annually. It was essentially a flat statistic that did not substantially impact the need in Virginia, where 700,000 working-age adults had not completed high school. The Race to GED®'s goal is to contribute to the commonwealth's economic growth and competitiveness by preparing those adults for positions in the 21<sup>st</sup> century workforce of the global economy.

GED® Passers 2002-2009 equaled a 50 percent increase over pre-Race to GED® years.

Source: Race to GED, Milestones to Success, Virginia Department of Education's Office of Adult Education and Literacy, May 2010.

## Economic Development Academy

Using the material developed in support of Kentucky's 2012 application for the Workforce Innovation Fund Grant as the basis for collaboration, organization and training of multi-discipline professionals across the state, the Economic Development Academy will begin with related curriculum developed and delivered through the Workforce Academy Initiative.

As the collaborative process grows and partners come together around the potential for a unified approach and brand, the depth and breadth of Economic Development Academy offerings will be increased to include those individuals who will comprise the teams responsible for developing and presenting unified talent and skill development solutions to business and industry attraction, relocation and expansion prospects.



In keeping with the KWIB principles that solutions, not programs or agencies, should be the focus of the workforce system, the Economic Development Academy will be based on the concept that results, not program requirements, will be the focus of communication and interaction with business and industry customers.

Specifically, the academy development should:

- create agreement and buy-in from the highest levels of leadership and top management from all key stakeholder organizations,
- develop a needs assessment to provide insight into policies and practices which serve as barriers to the desired aspects of the customer service culture,
- determine the competencies required for all levels of the workforce system partners,
- create a comprehensive professional development module to be delivered via the commonwealth's workforce academy,
- develop a certification for completers of the program, and
- capitalize on opportunities to leverage curriculum, costs and outcomes with partner stakeholder groups such as Kentucky Cabinet for Economic Development, Kentucky Association for Economic Development, and Kentucky Community and Technical College System.

### Strategic Benefit

Increases communication and collaboration between workforce boards, training providers, education and workforce partners, and economic development agencies by bridging differences in language, goals and cultures

---

Focuses on a seamless delivery of solutions provided by Kentucky or the community, not individual agencies

Helps improve and evolve methods of projecting training needs of the future by building and strengthening relationships between all parties

Positions partners as proactive rather than reactive to the changing needs of business

Increases opportunities for entrepreneurship in a culture of innovation

**Nature of Change**

This is a program that can be developed and implemented at the administrative level and does not require legislative change.

**Cost**

Estimated cost per academy - \$2,000

Includes: Presentation materials, space rental, participant meals, travel for leaders

Estimated development costs - \$100,000

Includes: curriculum development, materials and on-line training modules

**Implementation Timing**

TBD

**Responsible Parties and Partners**

Office of the Governor  
Kentucky Workforce Investment Board  
Commissioner of Workforce Investment  
Cabinet for Economic Development  
Kentucky Labor Cabinet  
Kentucky Community and Technical College System  
Kentucky Association for Economic Development  
Local Workforce Investment Boards

**Consequences of No Action**

An inconsistent level of coordination between local workforce, education, economic development, and elected officials within the region will produce mixed results and does not position Kentucky to compete effectively with other states and nations where such coordination already exists.

**Benefit to Local Areas/Clients**

Local areas will benefit by the presence of a third party (the academy) carrying messages that integrate best practices and bring with that, the attention of Frankfort officials such as commissioners, directors and cabinet secretaries.

The citizens and businesses in Kentucky benefit from opportunities to better leverage resources and align the workforce system to be responsive to the needs of local businesses and economic development prospects.

The commonwealth will benefit by adding a strategic advantage offered by some, but not all economic development competitors.

**Potential Obstacles**

Turf battles and lack of larger vision by all involved

Buy-in of all partner agencies and organizations at local, regional and state level

Distractions created by trivial matters such as brand names, logos, etc.

**Transparency/Accountability**

Publication of all presentations on a state website, also made available to local agencies for posting, encourage media coverage of the academy before, during and after the event.

Online survey emailed to all participants within 30 days of the event.

## Tech High – Phase II

Kentucky's secondary technical centers provide students across the commonwealth with the opportunity to gain academic, employability and occupational skills needed to succeed in college and a career. Data indicates that students who concentrate in a technical program of study are more likely to graduate and participate in postsecondary experiences compared to those students who do not pursue career and technical education. Thus, it is imperative that the secondary technical centers provide career guidance and work-based learning opportunities.



Providing career counselors in all area technology centers, as well as those technical education facilities operated by local school boards, should be an area of focus for promoting relevant career pathways. This action is viewed as one of the most efficient and effective ways to transform the education system and create a well prepared workforce.

These services should be predicated on and supported by partnerships of local government, business and industry, industrial development authorities, and local workforce investment boards.

By engaging local industry in the development of programs, curriculum and facilities, technical education in Kentucky will be better positioned to respond to the needs of businesses as they thrive in an increasingly competitive environment. Institution of cutting edge programs, such as those associated with the green movement will also make students more competitive in the job market.

### **Strategic Benefit**

Increases communication and collaboration between workforce boards and boards of education, technical education, and business and industry.

Increases the number of postsecondary and work-ready high school graduates.

Promotes educational options, including technical education, two-year and four-year college, apprenticeships, and specialty training to younger students.

Increases awareness of educational and skills requirements for high-demand jobs, as well as those in emerging industries.

### **Nature of Change**

Change in the culture of technical education to one of collaboration and aspiration to lead and become a sought after service. Adding counselors to area technology centers would require legislation already proposed but not passed in General Assembly.

### **Cost**

Due to the significant annual investment required to implement such a change, exploration of leveraged costs, shared counselors, matching fund grants, and public private partnerships between stakeholders who stand to benefit most (including postsecondary technical education partners), must be explored.

In addition, certification standards must be established, and counselors trained and certified.

**Implementation Timing**

Because the change requires action by the General Assembly, implementation is likely to occur on a long term schedule. The earliest possible opportunity to pass the required legislation will be January of 2014. Other challenges, such as the certification and training of career counselors must also be addressed, adding to the long range implementation time frame for this initiative.

**Responsible Parties**

Kentucky Department of Education - Office of Career and Technical Education  
Local Workforce Investment Boards  
Postsecondary Technical Educators

**Consequences of No Action**

Students will leave high school with limited understanding of career options and the employability skills needed to succeed at the next level of life. Kentucky businesses will continue to struggle in finding a skilled workforce. This will have a negative impact on Kentucky's economy.

**Benefit to Local Areas/Clients**

Technical education has the potential to become a valuable resource to local employers and true preparatory experience for the world of work or continued education. Students engaged in such a program will become more competitive in the job market and help employers become more competitive in the world market.

**Potential Obstacles**

Culture shift and attitudinal realignment at all levels within the education system.

Funding for career counselors may be difficult to secure in light of budget shortfalls and cutbacks in nearly every state agency.

**Transparency/Accountability**

The legislative process will determine accountability measures and structures for this action step.



# Initiative Modifications & Enhancements





## Sector Strategies

The following modifications are proposed to enhance the sector strategies initiative.

- Emphasize long-term sustainability of partnerships
  - Identify and focus on existing active training consortia and assist them with taking on the characteristics and roles of industry partnerships.
  - Host a summit-type event with networking and peer-to-peer learning exchange opportunities with active partnerships and consortia.
  - Enhance resource materials with case studies highlighting best practices such as science technology engineering and math programs, and centers of excellence.
  - Coordinate with education partners for joint opportunities to promote and enhance industry partnerships.
  - Focus on funding mix to include federal and state funding streams, such as Workforce Investment Act, Kentucky WINS, Bluegrass State Skills and exploration of new opportunities via the state general fund budgeting process.
- Feature Industry Partnership grant recipients at KWIB meetings as invited speakers.
- Leverage connections and participation with Accelerating Opportunity initiative.
- Consider awarding additional points for partnerships engaged with Work Ready Communities to scores for grant opportunities offered by the workforce system and our partners.
- Conduct follow up analysis of data on a regular basis at the discretion of the Sector Strategies Steering Committee to determine if the targeted sectors are still appropriate as economic conditions change.



- Target area development districts as outreach partners. Tools should include guidance about what is available, best practice case studies, and update of website resources.
- Partner with the Kentucky Association of Manufacturers, select KWIB funded manufacturing industry partnerships and other interested stakeholders to explore the concept of establishing an advanced manufacturing education council. Such a council's purpose would be to ensure an adequately trained workforce for Kentucky's advanced manufacturing sector.

#### Potential functions of the council

- Identify the desired student knowledge and performance standards based on the skill needs of the industry.
- Translate the education and training requirements into actionable curriculum and materials
  - Identify required soft skills and incorporate into curriculum offerings
- Develop and maintain a standardized certification exam.
- Assess student performance – identify, coordinate (and create if necessary) the award of appropriate certificates.
- Advocate for business on behalf of the entire sector to ensure a qualified workforce and for regional/individual business in their relationship with local training providers.
- Approve/endorse educational programs that meet performance standards.
- Promote careers in advanced manufacturing with K-12 students.
- Offer professional development programs for advanced manufacturing instructors
- Assist industry in the development of specific career pathways.
- Promote internships, clinical experiences and apprentice programs
- Tie into financial support so that only council approved/endorsed programs qualify for Workforce Investment Act funds through the eligible training provider list.

#### **Best Practice Example**

The training partnership created between Toyota Motor Manufacturing Kentucky and the Bluegrass Community and Technical College is an example of the potential of such a concept.

## Kentucky Work Ready Communities

The following modifications are proposed to enhance the Kentucky Work Ready Communities initiative.

- Contract with a vendor to provide outreach consulting services which will include:
  - analysis of existing materials, website and outreach activities designed to promote the program to communities, economic developers, etc.,
  - develop outreach strategies to encourage counties to participate in the program and employers to use the National Career Readiness Certificate,
  - create a plan to secure state and national endorsements of Kentucky work ready communities to build credibility and interest in the program,
  - create a step-by-step implementation plan for outreach and endorsement strategies,
  - develop a communications toolkit for various media platforms to be used by state, regional and local officials to implement the strategies, and
  - develop a strategy and tools to pitch stories about the program to national, regional and trade media.
- Collect testimonials (video and written) and add to the website's best practices section.
- Work with partners at the Cabinet for Economic Development and the Kentucky Association for Economic Development to identify and promote Kentucky success stories and case studies of Kentucky development projects where workforce quality and/or Work Ready status was a factor in location/expansion decisions.
- Encourage partner organizations to take a greater role in promoting the program
- Determine the critical mass of counties participating in the program to secure inclusion or link from the Think Kentucky website.

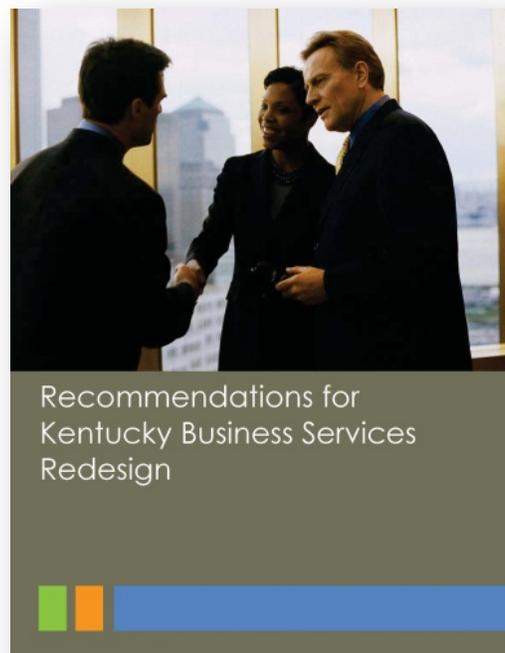


Look for opportunities to have Kentucky Work Ready Community and in Progress status enhance an applicant's score or consideration for other grant opportunities offered by the workforce system and our partners.

## Business Services Redesign

The following modifications are proposed to enhance the Business Services Redesign (formerly known as Rapid Response Redesign) initiative:

- Offer business services trainings to local and state economic development staff as well as partner organizations such as community colleges and other community-based organizations.
- Create a data base, accessible to all partners, of staff from all organizations who have completed training.
- Incorporate unified branding into the curriculum if the initiative is adopted statewide.
- Use the innovation grant proposal for “The Kentucky Solution” as a basis for curriculum development where appropriate.
- Explore development of a “Just Add One” program based on best practice models from other states to encourage small businesses in Kentucky to each add one new employee.



### Best Practice Example

*From NAWB website:*

Just Add One (JAO) is an initiative coordinated by the National Association of Workforce Boards (NAWB) that builds a collaborative member network of community partners across the country that work collectively within their respective labor markets to provide small businesses with tools, strategies and solutions to help them “add just one” employee. The ripple effect of each small business adding just one employee supports America’s need for job creation and reduction of unemployment rates, while providing a mechanism to align business and industry, workforce investment boards, chambers of commerce, economic development organizations, community colleges and community-based organizations to create unique strategies to help local small businesses succeed.



### Why Small Businesses: America's Economic Engine

While a single, small business may not generate as much money as a large corporation, they are a critical component of and major contributor to the strength of local economies and local communities. Small businesses present new employment opportunities and serve as the building blocks of the United States' largest corporations. According to the U.S. Small Business Administration (SBA), small businesses represent 99.7 percent of all employer firms (corporation, limited liability company or proprietorship with 500 employees or less). Since 1995, small businesses have generated 64 percent of new jobs, and paid 44 percent of the total United States private payroll, according to the SBA.

- The 23 million small businesses in America account for 54% of all U.S. sales.
- Small businesses provide 55% of all jobs and 66% of all net new jobs since the 1970s.
- The 600,000 plus franchised small businesses in the U.S. account for 40% of all retail sales and provide jobs for some 8 million people.
- The small business sector in America occupies 30-50% of all commercial space, an estimated 20-34 billion square feet.
- The number of small businesses in the United States has increased 49% since 1982.

Small businesses are the backbone of the U.S. economy and the primary source of jobs for Americans.

The Office of U.S. Trade Representative states that small- and medium-sized enterprises (SMEs) also account for the largest group of U.S. exporters and are a major user of imported goods. Small businesses contribute to local economies by bringing growth and innovation to the community in which the business is established. Small businesses tend to attract talent who invent new products or implement new solutions for existing ideas. Larger businesses also often benefit from small businesses within the same local community, as many large corporations depend on small businesses for the completion of various business functions through subcontracting.

### Are small businesses hiring?



Wells Fargo, together with Gallup, surveys small business owners quarterly across the nation to gauge their perceptions of their present situation (past 12 months) and future expectations (next 12 months) in six key areas: financial situation, cash flow, revenues, capital spending allocation, hiring, and credit availability. Small business owners as a group are now the most pessimistic they have been since the third quarter of 2010, according to the latest Wells Fargo/Gallup Small Business Index. The Index fell 28 points to negative 11 (-11) in the post-election survey. Key drivers of this decline include business owner concerns about their future financial situation, cash flow, capital spending, and hiring over the next 12 months.

Likely related to owners' pessimism, one in five small business owners (21 percent) expects to decrease the number of jobs at their company over the next 12 months – the largest percentage of small businesses expecting to reduce jobs since the inception of the Wells Fargo/Gallup Small Business Index in 2003. One in four owners (26 percent) reported a reduction in the number of jobs at their company over the past 12 months, representing the largest percentage since the fourth quarter of 2010.

### **Finding the Sweet Spot**

Small business owners understand that there is a point of diminished returns where lost productivity due to a lack of labor negatively affects their profit margin. But, do small businesses really understand the sweet spot for hiring an additional employee and/or the public resources that are available to support that hiring process? To return America to economic prosperity, it's going to take a concerted, substantial collaborative effort to support small businesses in overcoming challenges in business expansion. This is where JAO can support small businesses in moving into expansion mode.

### **Just Add One Initiative: How It Started**

There are various models of the Just Add One (JAO) initiative that have taken place and/or are currently underway across the country. Hats off to the pioneer organizations that serve as our inaugural JAO partners.

Stanislaus County, California created a six-month campaign among the partners that comprised its alliance called Worknet's StanTogether with a goal to add 1,000 jobs in the local economy. A concerted effort was undertaken to educate more than 200 businesses about the available resources and tools to support the hiring process among the alliance's partners. The area had been plagued by high unemployment rates as high as 16.4 percent with more than 38,200 jobless workers in the county.

Partners of the alliance worked to screen prospective applicants and narrow the field to the most qualified, as well as offered wage reimbursement incentives to train employees which resulted in hiring 1,025 new employees. Taking it one step further, Jefferson County, Colorado and its workforce and economic development partners are creating an ongoing Add One initiative that builds a systematic approach with all community partners with local toolkits and incentives to help small businesses hire. There are more than 20,000 businesses in Jefferson County that have pledged 396 new hires to date.

Whether a short-term campaign or a long-term initiative, when you join as a Just Add One member, you adopt a process for your community that aligns business and industry, workforce investment boards, chambers of commerce, economic development organizations, community colleges and community-based organizations to create unique strategies to help local small businesses succeed.

*For more information, go to [www.JustAddOne.net](http://www.JustAddOne.net).*

## Accelerating Opportunity Kentucky (formerly I-BEST)

Accelerating Opportunity is aimed at creating effective pathways to credentials for low-skilled adults (testing at a 6th-12th grade level) so they can earn the credentials they need to get a family sustaining job. The initiative seeks to reform how education is delivered to low-skilled adults by integrating basic skills education with technical training while providing wrap around services that include instructional and career supports for adult learners. The initiative is informed by I-BEST, an accelerated, integrated instructional model in which adult education and technical instructors work together in the classroom.

Lack of basic academic skills is a major barrier many Kentuckians face upon entering college. Currently, 71 percent of students entering Kentucky Community and Technical College System need remediation in one or more areas in math, reading and writing. However, only a small percentage of students who subsequently enroll in developmental education complete a degree or even earn a marketable credential. Completing the developmental requirements can often take a year or more; a significant time commitment that also costs students money, which is another barrier for many as the end up investing time and money in developmental courses so that their ability to stay in school becomes a challenge. (Students do not earn credits for developmental courses.)



Accelerating Opportunity does not require low-skilled students to preface their coursework with developmental education as their basic skills education is integrated into their technical program. Students participating in Accelerating Opportunity receive instruction in a contextualized environment where basic skills are integrated into technical coursework through team teaching, at either a 50 percent or 35 percent overlap. Students also receive supplemental instruction from an adult education instructor outside the classroom to fully develop their college readiness skills and ensure that they have the skills needed to master the technical content in their pathway. Accelerating Opportunity offerings are selected based on local labor market data and input from business and industry to ensure students have job opportunities in high-wage, high-demand careers upon completing their education.

Additionally, Accelerating Opportunity participants receive additional support from a success coach and a career coach outside of the classroom. The success coach serves as a case manager for a set number of students to help them navigate the college, work and life environments, connect them to services available at the college, and advocate for them as needed to keep them progressing in their career pathways. Students also receive support services from career coaches provided by staff at the Kentucky Career Centers whose primary job is to assist students with their career pathways and with identifying career opportunities with a good paying wage. The success and career coaches work closely together as they jointly provide services to help students succeed in college and in their career pathway. At times, there may be some overlap between the two as they both serve as a resource for the student and provide referral services as needed.

Upon completion of Accelerating Opportunity, participants will have earned at least one credential (in anywhere from a semester to a year) that will help them get a job in the career in which they are interested. Participants can also choose to continue in their educational pathway through regular courses offered at Kentucky Community and Technical College System and earn additional certificates, which should make them eligible for even better paying jobs. Since the certificates offered through Accelerating Opportunity are stackable, participants can return to their educational pathway any time they chose and work towards their Associate's Degree in their fields of study.

### **Strategic Benefit**

Increases communication and collaboration between partner organizations.

Increases awareness of education and skills needed for jobs that align with industry sectors.

Enables low-skilled adults to build basic education and soft skills while earning a marketable credential and decreasing the amount of time and money students spend on their education.

Increases credential attainment and likelihood to succeed.

Increases the number of adults who can earn a credential and enter the workplace with competitive skills.

### **Nature of Change**

Changes the way adult basic education is structured and delivered at the state and institutional levels; Accelerating Opportunity challenges traditional notions that students must first complete all levels of adult education and/or developmental education before they can advance in workforce education training programs. It moves students further and faster to certificate and degree completion.

Embraces a more customer focused approach by for the workforce system in Kentucky by providing referrals and support to customers that will enable them to enter career pathways that lead to family sustaining wages.

### **Cost**

Accelerating Opportunity is currently financed through a combination of resources that supplement the Accelerating Opportunity grant from Jobs for the Future. Funds are divided among participating colleges according to the number of students they will be serving per year through Accelerating Opportunity. The Kentucky Community and Technical College System Chancellor appropriated more than \$4 million state workforce funds to help the colleges launch Accelerating Opportunity (by covering Accelerating Opportunity college coordinator salaries) while Kentucky Adult Education is providing up to \$1.1 million in matching funds to the colleges. The Kentucky Education and Workforce Development Cabinet provided funds for Accelerating Opportunity outreach efforts and in-kind services such as referrals and career coaches, totaling about \$750,000.

### **Implementation Timing**

Accelerating Opportunity was launched at eight of Kentucky's 16 community and technical colleges along with local partners in January 2012. The remaining eight colleges began their planning period in January 2013 and will begin implementation no later than January 2014. The

plan is to operationalize Accelerating Opportunity at all 16 colleges and local partners who work together to provide services to eligible students.

**Responsible Parties**

Kentucky Adult Education  
Kentucky Education and Workforce Development Cabinet  
Kentucky Community & Technical College System (project lead)

**Consequences of No Action**

Kentucky's employers and economy will suffer. The success of Kentucky's low-skilled adults is critical to the state's economic future. By 2018, 54 percent of all jobs in Kentucky (1.1 million jobs) will require some postsecondary training beyond high school. Furthermore, most of our future workers are already part of Kentucky's workforce; many of them need additional training to meet the requirements of current and future jobs. Lastly, many employers are currently unable to fill well-paying jobs because applicants lack the skills. Consequently, Kentucky needs Accelerating Opportunity to be successful in order for the commonwealth to remain globally competitive as the need for a skilled workforce grows.

**Benefit to Local Areas/Clients**

Help local areas develop a more competitive workforce in a shorter period of time.

Help low-skilled adults improve their earning potential.

Enhance partnerships between Kentucky Adult Education, Kentucky Career Centers and the local college.

**Potential Obstacles**

Improving outcomes for large numbers of low-skilled adult learners requires changes to both policy and practice, particularly to encourage the development of scalable program models.

Sustaining the Accelerating Opportunity model is a challenge as it is labor and cost intensive. Sustainability is a challenge that has to be balanced with competing state and agency outcomes and resources.

**Transparency/Accountability**

The Education and Workforce Development Cabinet will receive progress reports at major milestones as the project continues to be implemented across the state.

**Additional Comments**

Early reports indicate that this program model is successful. Students are gaining their basic skills, earning credentials, continuing school beyond the Accelerating Opportunity initiative, and getting jobs.

## **Career Center Customer Flow** *(formerly One Stop Kiosk)*

The board wishes to create a tool to collect general information from the customer when entering a Kentucky Career Center for the purpose of providing more efficient service and reducing customer wait times. A pilot project will test the potential of automated kiosks to serve this purpose.

Currently, Kentucky Career Centers manually collect general information from customers and enter the information into an Excel spreadsheet. This spreadsheet is used to retrieve data on the count of customers and the types of services that are being requested in the local offices. This takes up a lot of staff time and takes away from serving customers.

A kiosk system would transition this function to a system similar to an automated teller machine where customers can enter information via a touch screen with a menu of options. Once customers enter their information, they will be placed in a queue for the staff to view and prepare for the consultation. The kiosk will be an option for customers who are comfortable using this service and will not replace front desk help or staff availability.

The system must produce reports that will allow for better, more efficient, timely, and responsive management of the Kentucky Career Centers. It should also be capable of a number of potential functions including

- be accessible to all customers and be compatible with assistive technologies for customers with disabilities,
- provide real time data,
- be user friendly to both customers and staff,
- have technological capabilities such as an iPad/Android app and online website check-in that would allow customers to get in the staff queue for services prior to arrival.
- provide voice enhanced direction,
- be compatible with other programs and databases currently being used by agencies within the Education and Workforce Development Cabinet,
- be supported by the Commonwealth Office of Technology.

### **Strategic Benefit**

Decreased wait time for services.  
Efficient real-time reporting.

### **Nature of Change**

Interaction among partner agencies prior to a pilot. The pilot project will test for improved wait times, efficiency of service delivery, reporting and other technological factors.

### **Cost**

Unknown at this time

### **Implementation Timing**

Fall 2013 / Spring 2014

**Responsible Parties**

Office of Employment and Training  
Office of Vocational Rehabilitation  
Local Workforce Investment Boards (in pilot areas)

**Consequences of No Action**

Continued lengthy wait times for customers. Inability to easily track aggregate number of clients and purposes of visits to Kentucky Career Centers.

**Benefit to Local Areas/Clients**

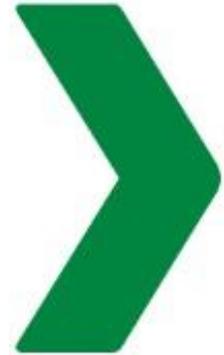
Reduced customer wait times, more efficient operation of Kentucky Career Center management tool for analyzing business operations to improve responsiveness.

**Potential Obstacles**

Ability to develop and maintain system as envisioned and interface with existing data bases.  
Support/help from Commonwealth Office of Technology in maintenance of kiosk.  
Literacy skills of some potential users



# Initiative Updates





# Sector Strategies

## Champion

Hugh Haydon

## Manager

Pat Dudgeon

## Project Status

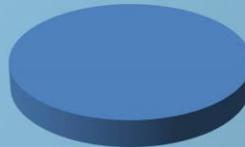
### Design

■ Tasks Completed



### Implementation

■ Tasks Completed



## Results To Date

- Created sector strategy toolkit
- Identified five statewide sectors
- Local/regional sector data tools
- World class sector strategy institute
- \$563,000 awarded to 10 partnerships

## Major Tasks Remaining

- Close out all planning grants by June 30, 2013

### Kentucky's Statewide Sectors

- Automobile/Aircraft Manufacturing
- Transportation, Distribution and Logistics
- Business Services and Research & Development
- Health Care/Social Assistance
- Energy Creation/Transmission

# Branding & Identity

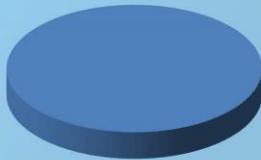
**Champion**  
Heidi Margulis

**Manager**  
Tom West

## Project Status

**Design**

■ Tasks Completed



**Implementation**

■ Tasks Completed



## Results To Date

- Brand promise adopted
- Customer journeys identified
- Logo & graphic assets selected
- Rollout plan approved



# One Stop Certification

## Champion

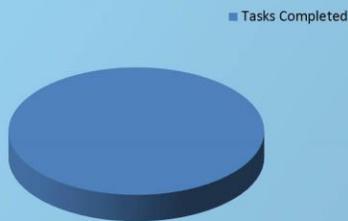
Lara Needham

## Manager

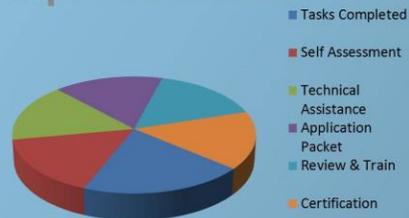
Tommy Wheatley

## Project Status

### Design



### Implementation



## Results To Date

- Base standards adopted
- Self assessments completed
- Technical assistance grants approved for eight workforce areas
- Consultant hired to develop application packet, certification review process and training

## Major Tasks Remaining

- Application packet
- Certification review & train reviewers
- Certification of career centers



# User-Friendly Online Services

**Champion**

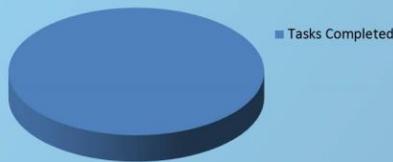
Kim Huston

**Manager**

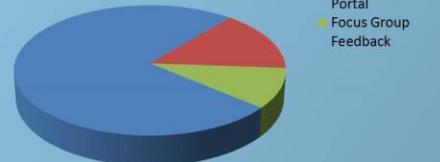
Holly Neal

## Project Status

**Design**



**Implementation**



## Results To Date

- Focus/Career, Focus/Talent developed
- Focus/Career, Focus/Talent rolled out
- Developed partner website template

## Major Tasks Remaining

- Take state website portal to focus groups in field
- Externally roll out state and partner sites



# National Career Readiness Certificate

**Champion**

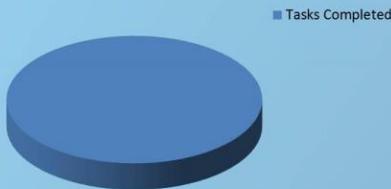
Reecie Stagnolia

**Manager**

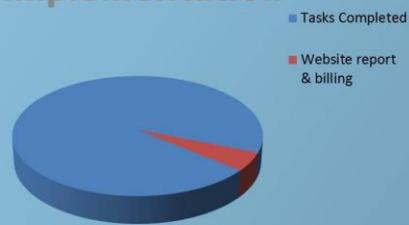
Joe Paul

## Project Status

**Design**



**Implementation**



## Results To Date

- 50,000 NCRC holders in Kentucky
- 22,000 issued in FY 11 & 12
- Majority of Kentucky Employability Certificates converted to NCRCs
- Available in 120 counties

## Major Tasks Remaining

- Website report & billing module



# Eligible Training Provider List

## Champion

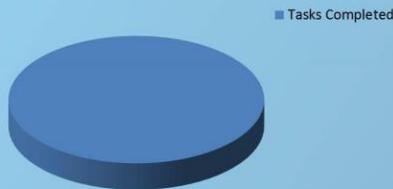
Rick Christman

## Manager

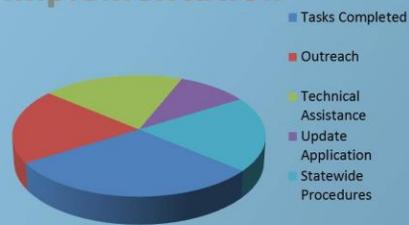
Linda Burton

## Project Status

### Design



### Implementation



## Results To Date

- Project revisions and legal review
- Adoption by KWIB

## Major Tasks Remaining

- Outreach program
- Technical assistance
- Update application form
- Develop statewide procedures



# Tech High (Phase 1)

Champion

Dr. Dale Winkler

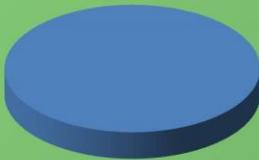
Manager

Angie Fischer

## Project Status

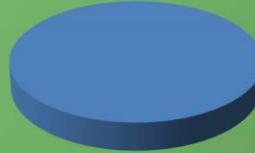
Design

■ Tasks Completed



Implementation

■ Tasks Completed



## Results To Date

- Career coaches in 10 area technology centers
- Go 2 College events held at community colleges
- Close The Deal events held at area technology centers
- Partnerships developed with Kentucky Adult Education and KCTCS



# High School Outreach

Champion

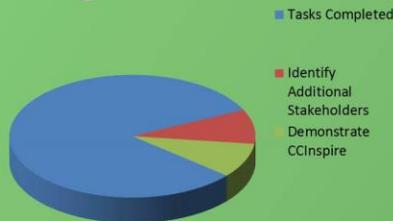
Joseph U. Meyer

Manager

Karen Dueker/Melissa Quillen

## Project Status

### Design



### Implementation



## Major Tasks Remaining

- Identify additional stakeholders
- Demonstrate CCInspire
- Determine funding sources
- Develop timeline for rollout
- Define management, maintenance and other responsibilities
- Develop marketing plan



# Kentucky Work Ready Communities

**Champion**

Crystal Gibson

**Managers**

Jason Slone/Tom West

## Project Status

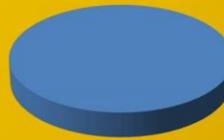
**Design**

■ Tasks Completed



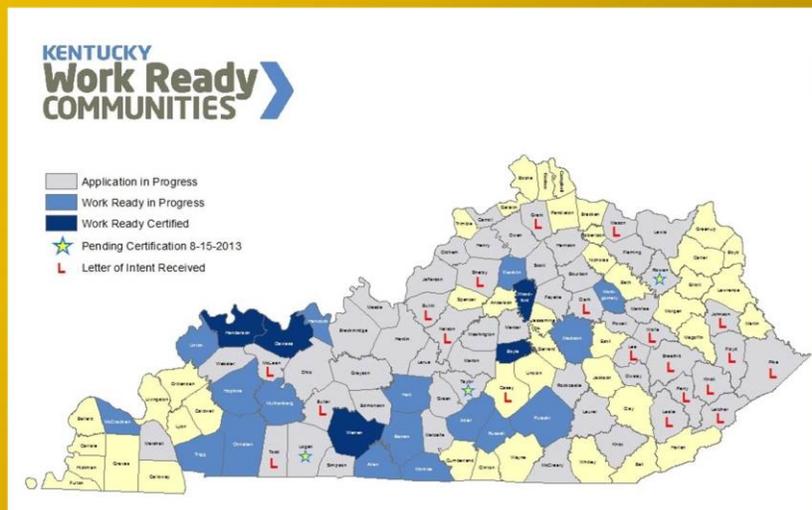
**Implementation**

■ Tasks Completed



## Results To Date

- Five counties certified Work Ready
- 17 counties certified Work Ready in Progress
- 36 counties working on applications
- 500+ community leaders engaged
- 62 of 120 counties engaged/52% of the commonwealth's counties are engaged



# Business Services Redesign

**Champion**

Jim Cole

**Manager**

Linda Prewitt

## Project Status

**Design**

■ Tasks Completed



**Implementation**

■ Tasks Completed



■ Hire Business Services lead  
■ Cabinet/Ed. Dev/KCTCS framework  
■ Unified teams statewide  
■ Develop shared data base

## Major Tasks Remaining

- Hire state business services lead staff
- Workforce/Cabinet for Economic Development/KCTCS framework
- Unified business service teams statewide
- Develop shared employer database



# Alphabet Soup

Champion

N/A

Manager

Terri Bradshaw

## Project Status

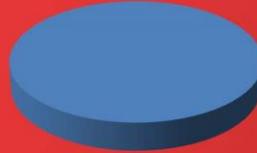
Design

Tasks Completed



Implementation

Tasks Completed



## Results To Date

- Cabinet and agency websites scrubbed for acronyms and jargon
- Letters sent to partners requesting elimination of acronyms and jargon from customer communications



# Partner For Success

**Champion**

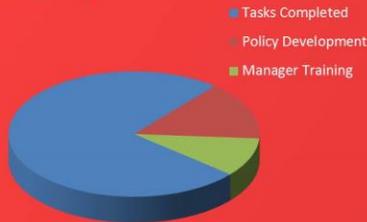
Beth Brinly

**Manager**

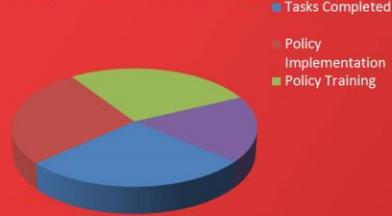
Allison Flanagan

## Project Status

### Design

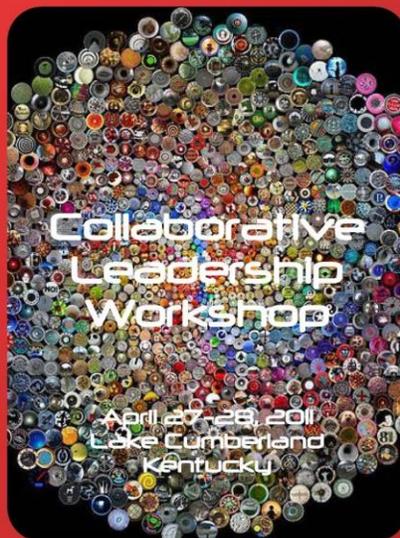


### Implementation



## Results To Date

- Leadership Training - 75+ leaders from all agencies
- Statewide Training - Three regional trainings, 200 trainers trained
- Local Area Trainings - 10 local areas completed trainings to all employees



# Team-Based Case Management

**Champion**  
Beth Brinly

**Manager**  
Jane Smith

## Project Status

### Design



### Implementation



## Major Tasks Remaining

- Common intake, referral, assessment process development
- Integrated case management and interfaces with information technology development
- All implementation tasks



# High Impact Workforce Investment Boards

Champion

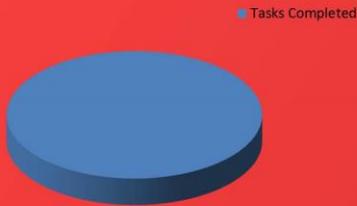
Beth Brinly

Manager

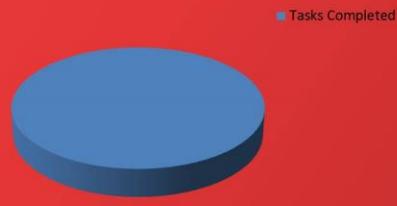
Jason Slone

## Project Status

Design

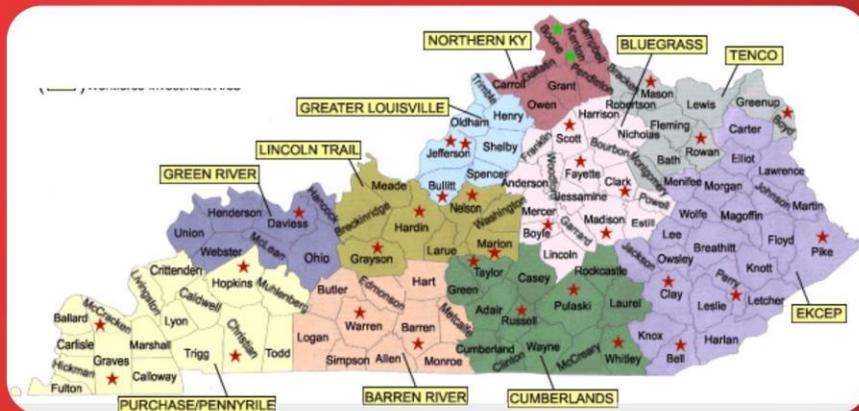


Implementation



## Results To Date

- Comprehensive high impact framework, criteria and application developed
- All 10 local boards reviewed for baseline measure of standards
- Statewide report developed
- Technical assistance grants offered to local areas
- Project implementation completed, Jan. 2013
- Standards Year 1 launch - effective January 25, 2013



# Workforce Academy

**Champion**

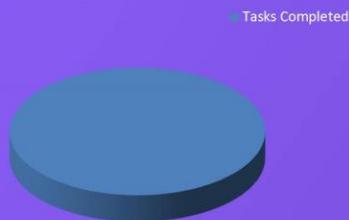
Judith Rhoads

**Managers**

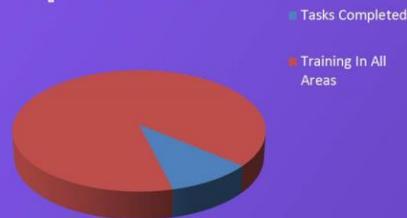
Susie Edwards/Vicki Wade

## Project Status

**Design**



**Implementation**



## Results To Date

- Developed online training module about transformation
- Developed four training modules for staff and partners
- Online training module launched
- 50 trainers certified to teach training modules
- Training implementation plans developed by each area
- Training modules delivered to 90 percent of target audience with full completion by June 30, 2013
- Website moved to state servers
- Curriculum report reviewed by steering committee for Phase II plans
- Phase II subject matter identified
- Kickoff for Phase II held with Thomas P. Miller and Associates and Workforce Academy Steering Committee

## Major Tasks Remaining

- Complete area training for Phase I
- Video tape session from central office academy trainings
- Prepare for Phase II

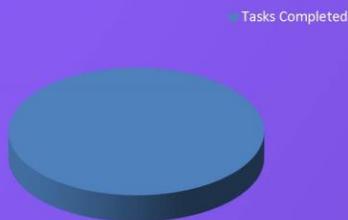
# (Branding) Outreach Initiative

**Champion**  
Heidi Margulis

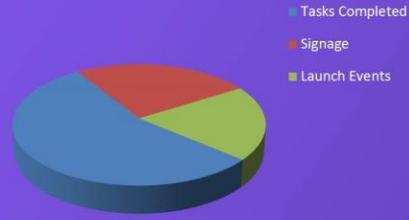
**Manager**  
Holly Neal

## Project Status

### Design



### Implementation



## Results To Date

- New Kentucky Career Center website

## Major Tasks Remaining

- Exterior and interior signage at career centers
- External roll out of Kentucky Career Center Website
- External launch events



# Implementation





## Implementation Structure

### **Kentucky Workforce Investment Board and Executive Committee**

The board shall have the responsibility to oversee and monitor implementation of all action items described in the strategic plan. The board shall also have responsibility to report on the progress of implementation and results of actions taken to the governor on a regular basis. The board may, at its discretion, assign some of the responsibilities for monitoring to the executive committee. The board may also authorize the executive committee to make time sensitive decisions on behalf of the board when required between regularly scheduled meetings of the full board.

### **Project Champion**

A project champion is a member of the Kentucky workforce investment board, his or her designee, or other stakeholder group who takes personal interest and responsibility for advancing a particular implementation project. This individual acts as a cheerleader to rally buy-in from partners and stakeholders and as an advocate to build support from elected and appointed officials determined to be key to the success of the project. The project champion can



be as involved as he or she chooses in the technical oversight of implementation, but will serve as spokesperson to the board on behalf of the project. The champion may also be called upon to make presentations about the project to stakeholder and other groups.

### **Project Manager**

a project manager is a paid employee of a state workforce or partner agency or organization who is assigned the day-to-day responsibilities of implementation management and administration. Project managers perform these tasks in addition to

the regular requirements of their jobs. There is no additional compensation paid to the project manager for taking on the added responsibility. The project manager may or may not be an employee of the lead agency (see below). Project managers are expected to maintain regular contact with the project champion, assist the champion with development of presentations and reports, administer any consulting or other contracts, and maintain records and files in accordance with the education and workforce development cabinet's practices and policies related to KWIB initiative project management. Attendance at scheduled project manager training sessions is expected of all project managers.

### **Lead Agency**

The lead agency is an office, division, department or other organization responsible for developing an operations plan and coordinating the necessary steps to successfully implement

the project. In some cases, an agency outside the Education and Workforce Development Cabinet may fulfill this role. In such an instance a cabinet agency will be assigned to provide technical support and financial accountability when funding streams administered by the cabinet are being used.

### **Partners**

Partners are agencies, organizations and stakeholder groups both within and outside government. Partners identified are those whose participation is believed to be necessary for successful implementation of a particular project. Partners serve as technical experts, consensus builders, and links to individuals and groups impacted by the project. An assigned contact from each Partner will serve as the primary contact with that group and be provided all appropriate communications and project development materials. It is anticipated that Partners will participate at varying levels of involvement depending on factors such as available time, benefits of the project to their group, etc.

### **Steering Committees**

Steering committees are designated to provide input, oversight and monitoring for several specific projects. These projects are generally larger in terms of budget and anticipated results or involve the use of a contractor or consultant who requires regular access to specific individuals or groups to fulfill their obligations to the contract. Composition of a steering committee will be based on the requirements of the project. These committees will vary in size and are anticipated to include representatives of the board as well as others engaged in the implementation process. Steering committees shall be chaired by a member of the board, which may or may not also serve as the project champion.

### **Board Committees**

Projects which do not require a specialized steering committee may be assigned to a board committee. The committee will be responsible for monitoring implementation progress, providing input and guidance to the staff and partners, and reporting on progress at regular meetings of the Board.

### **Time Commitments**

The amount of time each member spends as a project champion, steering or board committee chair or member is up to that individual. Successful implementation will require various amounts of time depending on the project itself and the engagement of others. Private sector leadership is a critical success factor in the effort to transform the system and give Kentucky a competitive edge in the new economy.

## Project Champions and Managers

|   | Champion                     | Manager                           |
|---|------------------------------|-----------------------------------|
| <b>System Transformation</b>            |                              |                                   |
| Sector Strategies/Industry Partnerships | Hugh Haydon                  | Patricia Dudgeon                  |
| Branding & Identity                     | Heidi Margulis               | Tom West                          |
| Kentucky Career Center Certification    | Lara Needham                 | Tommy Wheatley/Holly Neal         |
| User Friendly Online Services           | TBD                          | Holly Neal                        |
| National Career Readiness Certificates  | Reecie Stagnolia             | Joe Paul                          |
| Eligible Training Providers             | Rick Christman               | Terri Bradshaw                    |
| <b>Education Alignment</b>              |                              |                                   |
| Tech High (Phase I)                     | Dr. Dale Winkler             | Angie Fischer                     |
| I-Best                                  | Dr. Jay Box &<br>Donna Davis | Buddy Hoskinson                   |
| Apprenticeship                          | TBD                          | Mary Taylor                       |
| High School Outreach                    | TBD                          | Karen Deuker &<br>Melissa Quillen |
| GED Express                             | Reecie Stagnolia             | Jacqueline Korengal               |
| <b>Economic Development Alignment</b>   |                              |                                   |
| Entrepreneurship                        | Larry Hayes                  | TBD                               |
| Kentucky Work Ready Communities         | Crystal Gibson               | Jason Slone & Tom West            |
| Business Services Redesign              | James Cole                   | Linda Prewitt                     |
| Economic Development Academy            | Daryl Smith                  | TBD                               |
| <b>System Simplification</b>            |                              |                                   |
| Alphabet Soup                           | N/A                          | Terri Bradshaw                    |
| Partner for Success                     | Beth Brinly                  | Allison Flanagan                  |
| Statewide Reserve Investments           | Ed Holmes                    | TBD                               |
| Team-Based Case Management              | Beth Brinly                  | Jane Smith                        |
| High Impact Workforce Boards            | Daryl Smith                  | Jason Slone                       |
| <b>Customer Service</b>                 |                              |                                   |
| Workforce Academy                       | Dr. Judith Rhoads            | Susie Edwards &<br>Cora McNabb    |
| Outreach Initiative                     | Heidi Margulis               | Holly Neal                        |
| Get Back to Work                        | Larry Clark                  | TBD                               |
| Career Center Customer Flow             | Beth Brinly                  | Ryan Henson &<br>Connie Schnell   |
| Unemployment Insurance                  |                              |                                   |
| Customer Service Plan                   | Thomas Zawacki               | Dustin Adams                      |