

## Economic Development Action Steps

Action Item	Priority #	Quick Hit	Big Idea	Public Visibility
Entrepreneurship Training	<b>2</b>	✓		✓
Sector Strategies	<b>1</b>		✓	✓
Economic Development Academy	<b>5</b>	✓		✓
Rapid Response	<b>4</b>			
Work Ready Counties	<b>3</b>			✓
NCRC Expansion	<b>7</b>	✓		
Who's Who Directory	<b>6</b>	✓		

**Action Step****Make Investment Decisions Based on Sector Strategies****Description**

For local communities, tax breaks and infrastructure development are no longer the keys to attracting and retaining employers; businesses are now looking closely at the supply of skilled workers and the educational institutions that can provide the industry-relevant skills they need to grow.

Establishing statewide and regional industry sector strategies to achieve the best return on investment with the limited resources available to train and educate the workforce has proven effective in at least 25 other states.

Sector strategies will be developed by state and regional, employer-driven partnerships of industry, education and training, and other stakeholders focusing on the workforce needs of key industries to develop expertise in the industry of focus; and to coordinate information and resources to develop and implement effective, coordinated responses workforce challenges common across employers.

Sector strategies meet the skill, recruitment, and retention needs of employers and the training, employment, and career advancement needs of workers. Sector initiatives:

Address the needs of employers by focusing intensively on the workforce needs of a specific industry sector over a sustained period, often concentrating on a specific occupation or set of critical occupations within that industry, and assuring industry that there will be a pipeline of skilled workers to meet future workforce demands;

Address the needs of workers by creating formal career maps and pathways to good jobs, reducing barriers to employment, and sustaining or increasing middle-class jobs;

Bolster regional economic competitiveness by engaging economic development experts in workforce issues and aligning education, economic, and workforce development planning;

As sector strategies are developed, incorporation of energy efficiency and “green” issues must be incorporated in anticipation of the culture shift toward a greener economy with impacts in every sector.

**Strategic Benefit**

Helps align the Commonwealth’s workforce development system with economic

<p>development strategies.</p> <p>Increases communication and collaboration between workforce boards and economic development agencies, as well as major industries and their employers</p> <p>Helps evolve our methods of projecting jobs and training needs of the future</p>	
<p><b>Nature of Change</b></p> <p>Administrative</p>	<p><b>Cost</b></p> <p>Consultant to facilitate and coach the development of sector strategies - \$200,000</p>
<p><b>Implementation Timing</b></p> <p>It is anticipated that roll out of the first sector strategies would occur within one year of contracting with the consultant</p>	<p><b>Responsible Party(ies)</b></p> <p>Kentucky Workforce Investment Board Commissioner of Workforce Development Local Workforce Investment Boards</p>
<p><b>Consequences of No Action</b></p> <p>Without sector strategies in place, investment will continue on a case by case, employer by employer basis. Kentucky will not realize the efficiencies that can be achieved by focusing our investments on specific high-growth, high-demand industries. Achieving these efficiencies could present opportunities to train more workers.</p>	
<p><b>Benefit to Local Areas/Clients</b></p> <p>Local areas will benefit by increased contact with business clients and greater focus on industry-specific training needs. Local areas should expect a higher return on investment due to the highly focused and efficient use of resources achieved via these strategies. Local boards and elected officials can have greater confidence that the services being delivered are those most valued by their clients.</p>	
<p><b>Potential Obstacles</b></p> <p>Defining and limiting the sectors Participation by stakeholders</p>	<p><b>Transparency/Accountability</b></p> <p>Benchmarking of current return on investment in each local area should be compared to the return on investment in the years following implementation of the strategies. Common performance measures should be sufficient for this analysis</p>
<p><b>Additional Comments</b></p> <p>The energy sector may prove to be the best sector to begin with as several efforts are currently underway to better understand the workforce needs of this industry.</p>	

<b>Best Practice (optional)</b>

<b>Action Step</b> <p style="text-align: center;"><b>Mind Your Own Business</b></p>	
<b>Description</b> <p>Promote entrepreneurship and innovation as employment and economic development options with training available through every One Stop center and Area Technology Center throughout the state. Innovative thinking and local adaptation is encouraged by this strategic plan therefore, a standardized statewide curriculum is not recommended.</p> <p>Local areas are encouraged to work with education, business and finance partners as well as small business development centers and the state's Innovation and Commercialization Centers to develop a comprehensive entrepreneurship training program that is responsive to local needs while meeting certain minimum standards to be established by the Governor.</p> <p>In addition to providing opportunities for entrepreneurship training, local alliances are encouraged to link successful participants with venture capital, micro-finance, and other financing resources.</p> <p>Area Technology Centers operated by the Kentucky Office of Career and Technical Education should work with the local Workforce Investment Boards to create secondary-level versions of the entrepreneurship training opportunities.</p>	
<b>Strategic Benefit</b> <p>Provides increased opportunities for entrepreneurship in a culture of innovation</p>	
<b>Nature of Change</b> <p>Administrative, no legislation required</p>	<b>Cost</b> <p>Estimate to develop and staff program - \$175,000</p> <p>Does not include training costs, as those will be covered by local formula funds.</p>
<b>Implementation Timing</b> <p>Program rollouts should occur no later than Jan 1, 2011</p>	<b>Responsible Party(ies)</b> <p>Governor Beshear  Education &amp; Workforce Development Cabinet  Office of Career and Technical Education  Local Workforce Investment Boards  Small Business Development Centers  Colleges and Universities (2 and 4 yr)</p>

	Innovation and Commercialization Centers
<p><b>Consequences of No Action</b></p> <p>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.</p>	
<p><b>Benefit to Local Areas/Clients</b></p> <p>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.</p>	
<p><b>Potential Obstacles</b></p> <p>Local areas are unable to count new business start ups as placement in employment in their performance measures.</p>	<p><b>Transparency/Accountability</b></p> <p>Local workforce boards and area technology centers will provide quarterly reports to the state describing number of participants enter and completing training, approved business plans, referrals to financiers, and new businesses and jobs created by trained individuals.</p>
<p><b>Additional Comments (optional)</b></p> <p>“Intel believes that entrepreneurship is crucial to building local innovation capacity. It brings new technologies to market, and supports economic development through building strong local and regional economies. Both the public and the private sectors have important roles to play in advancing entrepreneurship around the world, including through enabling effective entrepreneurship education.”</p> <p><b>Craig R. Barrett</b>, Chairman of the Board, Intel Corporation</p> <p>"Entrepreneurship education for young people is the most powerful idea in youth development today- every young person on the planet should be exposed to the principles of entrepreneurship, ownership and socially responsible wealth creation."</p> <p><b>Steve Mariotti</b>, The National Foundation for Teaching Entrepreneurship</p>	

**Action Step**

**Work Ready Counties**

**Description**

*“Although the exodus of manufacturing from the United States to offshore locations that became more pronounced during the past 20 years was devastating to many communities, it can be argued that the loss of these lower-skilled production operations made room for the next generation of manufacturing and production that is still occurring today. New industries such as biotechnology and advanced manufacturing require higher-skilled workers and flexible labor forces that many less-developed nations do not offer.”*

**Area Development On-Line**, March 31, 2010

In order for Kentucky to remain competitive for these new industries, our communities must promote the availability of that skilled workforce. To provide business and industry with the assurance of the availability of this resource, the Kentucky Workforce Investment Board proposes the certification of counties as “work-ready.” Counties must apply for this certification and meet certain high standards for education attainment and credentialing in order to receive the status.

Once certified, counties will receive a certificate and sign template that may be used to create signs for posting at gateway points and business areas within the community. Achievement of Work-Ready County status will be announced by the Governor and communicated to the media and appropriate state agencies. They will also have the right to use this status in their own marketing and promotion.

Counties will be monitored on a regular basis to assure they continue to meet the “Work-Ready” standards.

Five or more contiguous counties with Work-Ready status may apply for Work-Ready Region status.

**Strategic Benefit**

Increases communication and collaboration between workforce boards, economic development agencies, technical, secondary and post-secondary educators, and elected officials

Encourages an increase in the number of postsecondary and work-ready high school graduates

Recognizes 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

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

<p><b>Nature of Change</b></p> <p>Administrative, no legislation required</p>	<p><b>Cost</b></p> <p>Program Development and outreach in year 1 - \$200,000</p>
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<p><b>Implementation Timing</b></p> <p>Program should be designed and rolled out within one year of plan adoption</p>	<p><b>Responsible Party(ies)</b></p> <p>Governor's Office  Kentucky Workforce Investment Board  Education and Workforce Development Cabinet  Cabinet for Economic Development</p>
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**Consequences of No Action**

This is a new project, however in the increasingly competitive world of economic development, such a program provides economic development professionals with additional differentiators when courting new businesses and industry. Numerous Economic Development and Workforce publications rank a skilled workforce in the top five factors in the site selection process.

**Benefit to Local Areas/Clients**


Local areas have the opportunity to bring together elected officials, economic development agencies and educators in an effort to focus collaboration on the improved competitiveness of the workforce.

<p><b>Potential Obstacles</b></p> <p>The political will to establish sufficiently high standards so that the certification is meaningful to business.</p>	<p><b>Transparency/Accountability</b></p> <p>Work-Ready requirements and applications will be available for public review via the web. Counties will be monitored regularly to assure continued compliance with program standards.</p>
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**Best Practice**

**Georgia's Work Ready Program**  
*The following are excerpts from the program's web site.*

As part of Georgia's Work Ready initiative, counties throughout the state have made a commitment to earn Certified Work Ready Community status, a designation showing they have the talented





workforce that business demands and the means to drive economic growth and prosperity.

Earning Certified Work Ready Community status ensures citizens have the talent necessary to staff existing jobs and to master the innovative technologies new jobs will



require in the future. By taking part in the effort, Georgia counties are transforming their economies and giving themselves a competitive advantage in attracting new businesses and jobs.

To be designated a Certified Work Ready Community, counties must drive current workers and the available workforce to earn Work Ready Certificates, demonstrate a commitment to improving public high school graduation rates and build community commitment for meeting these goals. Each community has created a team of economic development, government and education

partners to meet the certification criteria. Counties are given three years to reach the goals necessary to become a Certified Work Ready Community. Those counties willing to complete the process in 18 months are eligible for state-funded grants and serve as models for the initiative, showcasing successes and best practices for others to follow.

Built on a unique partnership between state government, the state chamber of commerce, local chambers, economic developers, education, private industry and the state's workforce, Work Ready provides a concrete way to understand what businesses need from their workforce and what Georgians must know to fill those jobs. Through the Work Ready Certificate, job profiling and skills training components, the initiative guarantees workers have both the talent necessary for existing jobs and the skills to master the innovative technologies tomorrow's jobs will require.

Going further, Work Ready is assisting Georgia's communities in designing economic development strategies to attract new business and preserve the health of their existing economic base. The Certified Work Ready Community initiative offers a means of demonstrating that a county's current labor force can fill existing jobs and meet the changing labor needs of tomorrow, and Work Ready Regions encourage multiple counties to work together to build regional talent pools aligned to a common, existing strategic industry.

*Tom West will be visiting Georgia to learn more about the program and meet with Administrators, elected officials and economic development agencies participating in the program.*

<p><b>Action Step</b></p> <p style="text-align: center;"><b>Rapid Response Redesign</b></p>	
<p><b>Description</b></p> <p>Evaluate and enhance Kentucky’s delivery structure based on best practices across the country focusing on the following elements: the infrastructure; relationships with stakeholders; policies and procedures; gathering intelligence; promoting the services; assessing potential dislocations; and analyzing worker survey data.</p> <p>The objective of which would be to provide support to Kentucky companies throughout the business lifecycle as opposed to predominantly at times of dislocation. These efforts would be linked the Cabinet for Economic Development’s Department of Business Development.</p>	
<p><b>Strategic Benefit</b></p> <p>Maximize the Commonwealth’s rapid response resources aligning them with economic development goals around business development and the Kentucky Reinvestment Act resulting in a more proactive systemic approach.</p>	
<p><b>Nature of Change</b></p> <p>Administrative – Moving the rapid response system from a fundamental level of performance to an enhanced level of performance at both the state and local levels.</p>	<p><b>Cost</b></p> <p>Training - \$25,000</p>
<p><b>Implementation Timing</b></p> <p>Evaluate State and Local status (3 mo)  Refine Policies and Procedures (3 mo)  Develop and deliver training (3 mo)  Implement (ongoing)</p>	<p><b>Responsible Party(ies)</b></p> <p>Office of Employment and Training  Division of Workforce and Employment Services</p>
<p><b>Consequences of No Action</b></p> <p>Maintain reactive rapid response practices.</p>	
<p><b>Benefit to Local Areas/Clients</b></p> <p>Broaden the portfolio of services offered to the business community as well as foster a deeper relationship between economic development and workforce development professionals.</p>	

<b>Potential Obstacles</b>  Resistance to a broader interpretation of rapid response services.	<b>Transparency/Accountability</b>
<b>Best Practice (optional)</b>  Use Education and Training Administration's Rapid Response action plan tool that includes best practices from across the nation as a launching point.	

<b>Action Step</b>	
<b>Economic Development Academy</b>	
<b>Description</b>	
<p>Establish a one-day program to be conducted throughout the state at various locations designed to bring together local workforce investment board members, economic development authorities, local elected officials, and members of the General assembly representing the region.</p> <p>The purpose is to explore how each can work together in a collaborative manner to achieve community and statewide economic development goals by integrating a workforce system that serves as a tool for recruiting and expansion of business and industry and the quality jobs they bring.</p> <p>As a spin-off of the Academy, a half-day session focused on innovation leadership is recommended. This can be conducted in conjunction with or as a stand alone supplement to the Economic Development Academy. The Innovation Leadership Forum will expose local elected officials and economic development professionals to the importance of focusing on innovation for economic growth as an alternative to reliance solely on chasing the “big win” of a major manufacturing operation.</p>	
<b>Strategic Benefit</b>	
<p>Increases communication and collaboration between workforce boards and economic development agencies by bridging differences in “language”, goals and cultures</p> <p>Focuses a seamless delivery of services provided by Kentucky or the community, not individual agencies</p> <p>Helps improve and evolve methods of projecting jobs and training needs of the future by building and strengthening relationships between all parties prior to a crisis situation</p> <p>Increases opportunities for entrepreneurship in a culture of innovation</p>	
<b>Nature of Change</b>	<b>Cost</b>
<p>This is a program that can be developed and implemented at the administrative level and does not require legislative change.</p>	<p>Estimated costs per Academy include:  Presentation materials - In-kind  Coordinate dates and sites, - In-kind  Space rental – \$200  Participant Meals – 30 @ \$10 - \$300  Travel for leaders – 6@ \$200 - \$1,200  Miscellaneous - \$300  Total Cost - \$2,000</p>

<p><b>Implementation Timing</b></p> <p>First Academy to be held in Fall 2010</p>	<p><b>Responsible Party(ies)</b></p> <p>Kentucky Workforce Investment Board  Commissioner of Workforce Investment  Cabinet for Economic Development  Kentucky Association for Economic  Development  Local Workforce Investment Boards</p>
<p><b>Consequences of No Action</b></p> <p>An inconsistent level of coordination between local workforce areas and the economic development and elected officials within the region will produce mixed results and does not make the best use of leveraged resources and community collaboration opportunities.</p>	
<p><b>Benefit to Local Areas/Clients</b></p> <p>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 possibly Cabinet Secretaries.</p> <p>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.</p>	
<p><b>Potential Obstacles</b></p> <p>Interest of local officials will need to be developed</p> <p>Scheduling to assure participation of key individuals in each location to assure return on investment</p>	<p><b>Transparency/Accountability</b></p> <p>Transparency – Publication of notes from the Academy and all presentations on a state web site, also made available to local agencies for posting, encourage media coverage of the Academy before, during and after the event.</p> <p>Accountability – On-line survey emailed to all participants within 30 days of the event</p>
<p><b>Additional Comments</b></p> <p><b>Action Outline:</b></p> <ul style="list-style-type: none"> <li>Develop program content and materials (modules to respond to local needs)</li> <li>Identify facilitators and speakers</li> <li>Develop media relations program</li> <li>Coordinate dates, locations and invitees with local workforce investment boards</li> <li>Invite participants</li> </ul>	

<p><b>Action Step</b></p> <p style="text-align: center;"><b>Who's Who Directory</b></p>	
<p><b>Description</b></p> <p>Create a user-friendly directory of key players in workforce investment and economic development at the state, regional and local levels that can be used as a resource by business and industry as well as economic development, workforce and elected officials.</p> <p>The Directory should be available on-line in a format that allows users to search by county and region. Hard copies will not be printed, however an option for the user to print the directory themselves should be available. Entries should include the roles and responsibilities of listed agencies and individuals, as well as brief information about programs, resources, and funding sources.</p>	
<p><b>Strategic Benefit</b></p> <p>Increase communication and collaboration between workforce boards and economic development agencies</p>	
<p><b>Nature of Change</b></p> <p>Administrative, no legislative changes required</p>	<p><b>Cost</b></p> <p>Research, editing and IT services - \$40,000</p>
<p><b>Implementation Timing</b></p> <p>To be developed in conjunction with the Economic Development Academy start up.</p>	<p><b>Responsible Party(ies)</b></p> <p>Kentucky Workforce Investment Board Workforce Development Commissioner Kentucky Association for Economic Development</p>
<p><b>Consequences of No Action</b></p> <p>No such directory currently exists, this would be a new project which would add a new and unique resource for business and industry as well as add value for Kentucky Association for Economic Development members as well as local workforce professionals.</p>	
<p><b>Benefit to Local Areas/Clients</b></p> <p>Local areas would benefit by sharing a tool that promotes the close relationship between economic development and workforce investment. Business and Industry clients would have the opportunity to browse a menu of programs, services and resources available at all levels of government and be provided with contacts for each.</p>	

<p><b>Potential Obstacles</b></p> <p>Such a directory will require regular maintenance to keep the information relevant and updated. Assignment of maintenance tasks to each partner will be critical to success.</p>	<p><b>Transparency/Accountability</b></p> <p>The directory should be accessible through a number of portals through links with the sites of all state level partners as well as local agencies.</p> <p>Usage of the directory should be measured using on-line tracking tools and counters. Quarterly reports of the usage should be provided to all partners.</p> <p>Updated information should be provided to a central location for verification and uploading.</p>
<p><b>Additional Comments (optional)</b></p>	

**Action Step****National Career Readiness Certificate – Adoption & Expansion****Description**

Kentucky pioneered the work-ready certificate with the implementation of the Kentucky Employability Certificate. That program became later a model for other states.

Based on performance on several Work Keys tests, the Kentucky Employability Certificate was envisioned to provide potential employers with an assessment of applicants basic skills in math, English and locating information. The program met with limited success and is used extensively by some employers in certain regions of the state and not at all by others.

ACT, the organization that administers the Work Keys assessments has expanded upon Kentucky's idea and created a nationally recognized credential called the National Career Readiness Certificate. This credential offers portability between states. ACT offers certificates at four levels, bronze, silver, gold and platinum. A focus group of those familiar with the Kentucky Employability Certificate and the National Career Readiness Certificate have concluded that the Bronze level certificate offers little value to employers. However the remaining three levels can provide employers with a valuable tool in screening applicants.

In an effort to provide business and industry with a screening tool that could prove valuable in the hiring process. These levels also provide certificate holders with a credential that will help them compete in the job market. For those reasons it is recommended that Kentucky adopt the National Career Readiness credential and recognize only those scoring at the silver and above levels with certificates. This will replace of the Kentucky Employability Certificate.

Expansion of assessment sites to include all comprehensive one stop locations is also recommended. It is further recommended that an alliance be formed between the Department of Workforce Development and the Kentucky Chamber of Commerce to promote the value of the certificate to business and industry, and that certificates be signed by the Governor and the President of Chamber.

Other alliances to promote the value of the certificates should be formed with the Kentucky Retail Federation, Hospital and Health Care Associations, the Hotel and Motel Association, the Restaurant Association, and the Kentucky Association of Manufacturers.



<p><b>Strategic Benefit</b></p> <p>Increase communication and collaboration between workforce boards and boards of education, technical education, postsecondary education and economic development</p> <p>Increases the number of postsecondary and work-ready high school graduates</p> <p>Provides opportunity to promote educational options, including technical education, two-year and four-year college, apprenticeships and specialty training to younger students</p> <p>Increases awareness of educational and skills requirements for high-demand jobs, as well as those in emerging industries</p> <p>Helps establish the concept of life-long learning as a norm in the 21st century</p>	
<p><b>Nature of Change</b></p> <p>Administrative, no legislation required</p>	<p><b>Cost</b></p> <p>Start up and year one funding - \$420,000 Paid for with 2009 Incentive Grant</p>
<p><b>Implementation Timing</b></p> <p>Roll out in June 2010</p>	<p><b>Responsible Party(ies)</b></p> <p>Kentucky Workforce Investment Board Office of Employment and Training One Stop Career Centers Council on Post secondary Education Kentucky Career and Technical College System Kentucky Chamber of Commerce</p>
<p><b>Consequences of No Action</b></p> <p>Kentucky will lose a competitive advantage in providing employers with screening tools for new hires.</p>	
<p><b>Benefit to Local Areas/Clients</b></p> <p>Opportunity to provide valuable service to local employers, opportunity to meet with applicants to assess and refer for training, if needed, added value to One Stop Centers.</p>	
<p><b>Potential Obstacles</b></p> <p>Cost of assessments in future years</p>	<p><b>Transparency/Accountability</b></p> <p>Weekly sweeps of assessments conducted and issuance of certificates.</p> <p>Annual survey to determine use of certificates by employers in conjunction with partner organizations</p>

## **Other Information**

SB1 Connection needs further investigation and analysis

Cumberlands – private \$ to test all high school students Local Data base with access for local employers – See Darryl McGaha