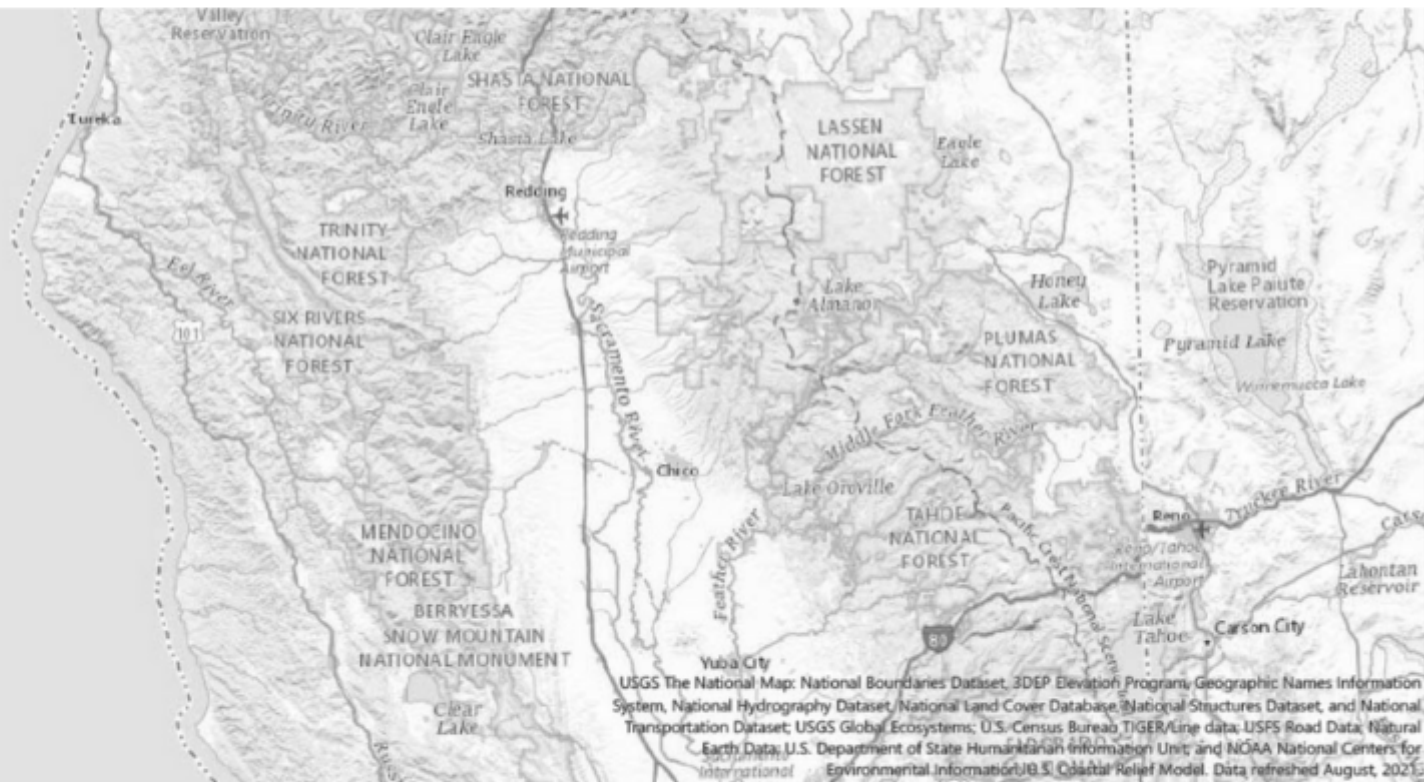


PROFILING THE SECTOR PARTNERSHIPS OF THE NORTH STATE

A Project of the Institute for Networked Communities



SECTOR PARTNERSHIPS OF THE NORTH STATE

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This case study is one in a series of profiles of Next Generation Sector Partnerships operating across the country. Its primary purpose is to give practitioners insights into the key milestones and critical ingredients for success that have shaped the industry sector partnership journey of the North State region, the 11 rural counties of Northern California. The intended audience for this series is the diverse mix of business, education, workforce development, and economic development leaders who are committed to the work of taking their communities to a new level of shared prosperity. The profile is organized into six sections: motivations for launch, mechanisms for change, moments of transformation, measurable results, major ingredients for success, and the future of industry sector partnerships in Northern California.

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ABOUT THE NORTH STATE

The vast region of northern California, often called the North State, encompasses arguably some of the most majestic landscapes in the country. It's eleven counties include Butte, Del Norte, Lassen, Modoc, Nevada, Plumas, Shasta, Sierra, Siskiyou, Tehama, and Trinity. For those who live there or have visited, they know it's a combination of stunning Sierra Nevada mountains, clear rivers and lakes, rich agricultural land and small rural towns scattered between it's more urban hubs of Redding and Chico.

Perhaps not as obvious are the economic engines behind the vistas, brew pubs and ski destinations. The North State's economy no longer relies on just traditional industries like agriculture and timber; it is fueled by a mix of high tech, manufacturing and healthcare jobs. Typical of rural economies, one of the biggest challenges for businesses in any sector is finding and retaining an adequate workforce. In some places there just simply are not enough people; in others there's a mismatch between open jobs and available skill sets. There's also a lot of misinformation and reliance on outdated information about what jobs exist and the real skill sets and education pathways needed to get them.

It's in this context that the region's workforce development board, the Northern Rural Training and Employment Consortium (NoRTEC) began an experiment with regional industry partnerships, borrowing pages from the Next Gen Sector Partnership playbook. Since 2016 NoRTEC has been the catalyst for the launch and implementation of six distinct collaborations in the following industries: Manufacturing, Digital Media, Technology, Healthcare and Tourism. Each is a unique partnership of businesses, from the same industry and in a shared labor market region, who work with economic development, education, workforce development, and community organizations to address the overall competitiveness needs of the targeted industry. By addressing business-driven priorities, their Next Gen Industry Partnerships not only support the overall competitiveness of an industry and regional economy, but also benefit workers, students, and the broader community.



MOTIVATIONS FOR LAUNCH: REGIONALISM AND RESOURCES

For many years NoRTEC was known nationally for its ability as a rural workforce board to leverage federal, state and philanthropic dollars for workforce training programs. But in 2016 when then new Executive Director Michael Cross came on board, he realized that leveraging grants was a small part of a bigger opportunity. Perhaps more urgent than in urban areas, regions like the North State have fewer organizations and institutions to rely on for education, training and community connections.

It's therefore even more important to sync up, connect and leverage the organizational resources that do exist, especially across organizations trying to understand, stabilize and grow the region's economic sectors and appropriately train a workforce. The costs of fragmented and duplicative efforts were too high. But coordination, like in most regions, does not come naturally. After attending a U.S. Department of Labor conference focused on best practices in sector partnerships and participating in a California Workforce Development Board initiative (known as Slingshot) that emphasized a coordinated approach to education and training, Michael Cross wasted no time getting organized back home around the region's top economic sectors. He had two goals in mind: first, promoting regionalism and coordination instead of siloed programmatic or county-specific approaches; and second, the purposeful knitting together of regional institutions and their resources behind shared and critical jobs sectors.

The timing was perfect for this pivot. In a similar timeframe a passionate and fierce advocate for young people and for his own industry, Bill Gaines of Transfer Flow, Inc (a fuel tank manufacturer in Chico) had recruited a small handful of other manufacturing executives to convince multiple school districts to adopt CAD-4 and other manufacturing-related curriculum for high school students. Working with NoRTEC and others he also spearheaded the creation of a Manufacturing Directory. This was a critical first step to connecting manufacturers in the region who otherwise kept their heads down and noses to the grindstone. Transitioning these early wins into a more formal and organized, industry-led manufacturing sector partnership was the next step.

MECHANISMS FOR CHANGE: EARLY INDUSTRY LEADERSHIP AND A NEW MODEL

Getting organized would require securing buy-in from stakeholders around a common model for business engagement. For NoRTEC and its education and training partners the Next Gen Sector Partnership model rose to the top for three reasons. The model requires:

- Industry and business leaders to step in more to jointly solve their most pressing issues, especially those as complex and urgent as workforce needs;
- Public and education partners to sync up and coordinate around common goals, driven by the needs of target industries to stabilize and thrive; and
- Convener entities to be willing to act as neutral brokers and to act beyond business-as-usual roles so that both business and support partners' expertise and value-add is identified and maximized.

Using existing state funds, NoRTEC set to work by first covering the costs of over one hundred stakeholders from across the eleven counties from workforce development, independent school districts, community colleges, universities, economic development organizations and community-based organizations to attend a full day training. The training went into depth on the what, why and how of industry sector partnerships, and set a clear expectation that for the North State the preferred model would not be traditional sectoral training initiatives, but instead a hybrid of economic cluster partnerships and strong employer-driven workforce training initiatives. This is a hallmark of the Next Gen model.

Coming out of the training, participants were given an open invitation to assemble proposals to organize Next Gen style industry partnerships. They would have to justify their selected target industry, proving it provided significant numbers of jobs, was a diverse cluster of small, medium, large and anchor institutions, and held opportunities for employee advancement. They would also need to identify actual companies and executives in their target industry and provide a reasonable geographic focus that reflected the industry's true labor market region and that also stretched across traditional service areas of colleges, schools, or economic development districts.

Finally, applicants would need to demonstrate an ability to neutrally facilitate and build an industry partnership, requiring the ability to build trust across public partners who may otherwise compete for the time and attention of business and industry. This anywhere is a tall order. For those willing, a grant would be provided to subsidize the administrative and staffing costs. The amount nominal, with the expectation that the home organization would match and repurpose staff appropriately to support this work. Only a handful would be awarded, quality over quantity.



"Our complex workforce, and economic situation calls for innovation and integration – our workforce system partners must partner with state, regional, and local workforce stakeholders to explore challenges and opportunities, develop actionable strategies, and improve how we deliver services to meet the needs of our critical industries."

- MICHAEL CROSS, EXECUTIVE DIRECTOR
NORTEC



MOMENTS OF TRANSFORMATION: CROSS SYSTEM COLLABORATION AND THE NORTH STATE'S FIRST OFFICIAL PARTNERSHIP

While conducting training on a shared model of industry partnerships and launching a competitive process for their set up and convening, NoRTEC also moved along two other tracks, one that focused on cross-system relationship building and one that quickly got a prototype of an industry partnership officially off the ground.

First reaching out and setting expectations that the industry partnerships would be shared with the region's two community colleges and larger economic development entities. The vision was, and remains, that the North State's industry partnerships become a vehicle for multiple education, training and economic development systems to partner with companies within the partnerships. This deliberately reduces the common death by a thousand cuts phenomenon often experienced by businesses when public partners independently engage with them. It also nudges much needed coordination by education and training institutions who often go it alone when seeking private sector advisors to curriculum and credentials. The work of relationship building across workforce development, education and economic development is an ongoing and major focus of NoRTEC still today. It is foundational to the success of their shared industry partnerships.

Second, formalizing the initial work spearheaded by Transfer Flow into a formal industry partnership, the Butte County Grow Manufacturing Initiative (GMI), thus creating a prototype for the North State's industry partnership model. Building on the traction gained by the existing manufacturing directory and a small emerging coalition of other manufacturing executives joining forces with Transfer Flow, an official steering committee launched.

The Butte County GMI thus became the North State's first official Industry Partnership. Their Directory became a connection point for manufacturers to strengthen a locally-based supply chain. Their initial partnerships with high schools evolved into a major focus on connecting middle and high school students to real world experience and onto STEM education and engineering pathways. Today this means companies like Airspray, Lundberg Farms, Coe Equipment, Sel-tek and Safe Path, among others, collaborate on classroom presentations, student events, job shadowing opportunities, internships, scholarships, mentorships, manufacturing plant tours, job fairs, mini-Makers fairs and an annual Grow Manufacturing Expo that draws over 2,500 students from regional schools.

MEASURABLE RESULTS: FROM PROOF OF CONCEPT TO A WAY OF OPERATING

Between 2017-2021, five additional industry partnerships launched, each following a similar set of steps to each other, closely aligned to the Next Gen sector partnership model, but with unique areas of focus and outcomes based on the target industry and specific geography. Today these five partnerships continue.

They continue despite the COVID pandemic, which closed schools, shuttered businesses and like every region across the globe affected livelihoods and economic activity in unprecedented ways. Unlike most of the world however, the North State was dealing with another massive crisis during the same time, record-breaking wildfires, one after another. Still not recovered from the previously unmatched Camp Fire of 2018, which combined with co-occurring fires burnt 1.6 million acres, the North State's next few years brought more. The co-occurring Dixie, River Complex, Monument, Antelope, Beckworth Complex and McFarland fires of late summer 2021 burnt a combined 2 million acres, an area equivalent to 2/3 of Connecticut, including residential and commercial structures, farm and wild lands.

In these conditions, re-building quickly became the number one priority. The Construction sector steadily grew, the manufacturing sector also made a comeback. The tech sector pivoted more completely to a virtual workforce. The tourism sector, despite fire damage, had unprecedented upticks due to city dwellers temporarily migrating to the outdoorsy environs of the North State. Healthcare continued to struggle amidst pandemic staffing shortages, revenue losses and overwhelmed providers. Like healthcare, overall, every sector faced an unprecedented massive worker shortage. Already suffering typical workforce issues of a rural area, the fire forced many families out of the region. Many have not returned. It is in these conditions that the North State's industry partnerships not only have sustained, they play a critical role.



MEASURABLE RESULTS: CONTINUED

In addition to the Butte County GMI, the North State is home to:

- The Shasta Grow Manufacturing Initiative, self-organized into three committees: Customized training, which aggregates needed incumbent worker training needs of manufacturers and match-makes with training programs; Shared workforce recruitment, resulting in shared marketing videos and outreach to schools about manufacturing careers; and Educational Pathways, an ongoing effort to identify career exposure and education programs at the K-12 and post-secondary institutions that lead to manufacturing careers. Companies like Sierra Pacific Industries, Southern Aluminum Finishing, McHale Signs, Knauf and Maas collaborate and drive the committee work.



- GrowTECH, operated by Chicostart, that brings tech businesses and tech entrepreneurs together in the Chico area to collaborate on industry events, network and share best practices on business innovations. They also partner directly with California State University – Chico to create open-source libraries with students, create project-based learning programs, offer internships and direct job matching with CSUC students and grads.



There's a lot of collaboration that can happen if you're introduced to other manufacturers in the area, and Shasta GMI provides that opportunity.

- SAM HEIER, GM

SOUTHERN ALUMINUM FINISHING CO INC



- The Nevada County Tech Connection (NCTECH), convened by the Nevada County Economic Resource Center, is a partnership of tech-based manufacturers (like ZAP Manufacturing and Electrical Design Technology) tech start-ups, and tech companies (like Red8Interactive, ClientWorks and Autometrix) who come together to innovate, create and problem solve for their industry and region. They design and operate tech education programs, VR/AR workshops, and business networking events.
- The Rural Healthcare Collaborative, a combined set of initiatives that have come together into a shared partnership serving five large counties (Modoc, Lassen, Plumas, Shasta and Siskiyou). The Collaborative is key to aggregating shared workforce needs across very rural hospitals (like Dignity Health Northstate), community clinics (like Shasta Community Health Center and Hill Country Medical Clinics) and even the healthcare divisions of large prisons in the region. It is also key to brokering relationships with the regions' workforce training and community college programs that otherwise do not have clear pictures of shifting workforce needs.
- An emerging tourism and outdoor experience partnership, convened by the Siskiyou Economic Development Council but covering a huge geography into Southern Oregon and a diverse set of industry partners (like regional arts councils, legacy byways, national forest offices, tourism associations, visitors bureaus, and outdoor recreation alliances). This partnership collaborates across them all for shared marketing, destination development, visitor services and shared stewardship.



MAJOR INGREDIENTS FOR SUCCESS: LETTING LEADERS STEP IN, SUPPORTING THE RIGHT WORK

Among what could be a playbook of success criteria for the North State, a few stand out. NoRTEC's constant relationship building with regional economic development and education institutions is one. Because industry partnerships are not seen as initiatives, but as sustainable mechanisms by which the private sector can engage with each other and with public partners, both NoRTEC and the individual partnership conveners take seriously the work of understanding the value add and plugging in the resources of systems, institutions and programs otherwise operating in siloes. This work is constant, not a one-time endeavor. When staff turnover in systems and agencies, the work of onboarding new people to the value of plugging into the industry partnerships begins again. Often re-engaging partners who have fallen out of the loop is necessary too.

Another critical ingredient to success is no doubt the procurement of high quality and consistent staffing for each unique partnership. Starting with setting the right expectations in the competitive process for securing a credible convener for each industry partnership, the North State stands out in how they support their conveners to staff the partnerships effectively. One way is by providing some but not too much funding for quality staffing. In the Next Gen sector partnership world, the most effective partnerships require existing organizations to re-purpose staff to act as the coordinator and facilitator. This ensures that an organization sees this work as core to their mission, not as a grant initiative. Some funding to seed this however is important, especially for smaller organizations in rural areas.



"I don't think that more urban areas spend half the time that we do on relationship-building and nuanced understanding of the community. This work is twice the boulder to push and even more important in a rural community."

- ANDREA CAMPOS, DIRECTOR OF PROGRAM ADMINISTRATION, NORTEC



An adherence to a consistent model also matters, despite the fact that each industry partnership is highly unique in its outcomes and activities. Successful Next Gen sector partnerships depend on two mutually reinforcing elements: 1) coordinated staffing from the convener and public partner team; and 2) strategic and active industry leadership. Too much staffing can deter industry partners from truly owning the work and outcomes. Too little of the right work stream management, facilitation, communication and follow through by the convener can do the same. Getting the balance right is the secret to the model. In the North State, starting off with and adhering to a model that constantly seeks this balance has been important to their success.

Finally, the role of NoRTEC itself is no doubt a reason for the sustainability of the North State's industry partnerships. Constantly keeping a finger on the pulse of engagement and operations of each partnership, acting as a central hub for peer sharing among conveners and partners, staying organized and opportunistic on activities and outcomes that can be shared across the partnerships, and helping partnerships troubleshoot when needed. These in addition to being the source for consistent information on jobs and regional needs, for example Occupational Outlook reports on critical industries, or special reports on the effects of COVID-19 on job demand, are all roles that for the past five years NoRTEC has played.

