

HOW HIGH-ROAD PARTNERSHIPS WORK

Source: Social Policy, Spring2001, Vol. 31 Issue 3, p11, 9p

Item: 507767148

By Bruce Herman

Contents

- Partnership Activities and Services
- Sectoral and Regional Partnerships
- Funding Sources
- Preliminary Results
- Challenges and Action Steps
- Planning and Strategic Research
- Conclusion

As the challenges of today's global economy confront America's working families, a promising response is emerging. Across the country, unions, community groups, government, foundations, and far-sighted employers are teaming up to build a future of good jobs, successful industries, and strong communities in "high-road partnerships." These partnerships vary in structure, employ different strategies, and have different funding sources, but they share a common, broad goal: to build an economy based on skills, innovation, opportunity, sustainability, and equitably shared prosperity.

Many of these partnerships are young, so it is not possible to label their levels of success conclusively or point to extensive outcomes. But high-road partnerships have the potential to create lasting improvements in jobs, skills, and opportunities. They can achieve scale by reaching many people. They can achieve depth through their strong roots in communities. And they can achieve broad scope by providing a range of training, modernization, and economic development advantages to their participants.

The AFL-CIO Working for America Institute recently studied 14 of these partnerships and found that the services they offer go beyond standard worker training and re-training to include plant modernization and market development help for employers, targeted assistance for minority and women job-seekers, technology-testing operations, and high school equivalency and English as a second language (ESL) education. The institute profiled each of the partnerships in a series of case studies that describe the organizations' history, goals, and results achieved.

The range of structures, services provided, and funding sources contributing to these ventures demonstrates the breadth of the solutions that are needed--and possible--to tame the challenges of today's global economy.

Partnership Activities and Services

Activities and services provided by the partnerships fall into four main categories:

1. Setting standards. Nine of the partnerships have helped set workplace, job, and investment standards. Working Partnerships USA's 1998 report on the underside of the Silicon Valley economy, "Growing Together or Drifting Apart? Working Families and Business in the New Economy," for example, led to a coalition that won wage, benefit, and environmental standards for public economic development investments in Santa Clara County.

2. Workforce development. All 14 partnerships design and provide training for workers; 12 provide placement and referral services.

Philadelphia Hospital and Health Care-District 1199C Training and Upgrading Fund and the Hospital League in New York have built two of the most extensive sectoral training programs in the nation, serving more than 100,000 union members and workers just entering the health-care industry.

Looking at the training and education components of workforce development, 13 partnerships provide technical or occupational training, 12 assist with job or skill upgrading, 11 have entry-level training, eight offer ESL classes, seven provide education in basic skills, and four offer tuition reimbursement. In New York City, the nonprofit Consortium for Worker Education provides basic education, ESL classes, skill-based training, health-care worker certification, and college degrees.

3. Business services. Nine partnerships have joint labor-management programs, nine assist employers with modernization, and five provide financial or similar services. The Garment Industry Development Corporation offers consulting and direct services to help employers train workers, modernize plants, develop new markets, and create participatory work systems. Since 1990, southeastern Michigan's Labor-Management Council for Economic Renewal has offered more than 120 management-training programs on high-performance leadership, employee involvement, and team concepts. The Graphic Arts Institute of Northern California helps workers and employers navigate rapid technological change in their industry by training workers in the newest forms of technology and enabling firms to test new technologies that can help them modernize.

4. Access to economic opportunity. In the process of building good jobs and career paths while helping employers compete, high-road partnerships also promote fairer access to economic opportunity for women, people of color, and immigrant workers. Thirteen of the partnerships serve incumbent workers, but 11 also assist new workers, nine serve youths, and eight serve displaced workers. Graduates of the ESL classes offered by the E-Team Machinists Training Program, for example, are recruited into machinist training and placed in local manufacturing jobs that guarantee \$10 an hour and a career ladder. Of the nearly 30,000 students served by the Consortium for Worker Education in 1997-1998, half were women, three-fourths were

people of color, and one-fourth had not completed high school. In its first seven years, the Culinary Union Training Center, a partnership of HERE Local 226 in Las Vegas and major hotels, trained more than 14,000 new workers, including thousands of immigrants from the Balkans and Asia, workers re-entering the paid workforce, and minority workers, for good jobs in hotels and restaurants.

Sectoral and Regional Partnerships

High-road partnerships tend to be, at least at their start, either sectoral (focusing on a particular industry) or regional (concerned with a geographic region as a whole). Over time, though, these distinctions fade, and each type of partnership begins to build relationships and conduct activities characteristic of the other type.

Unions and groups of employers within an industry make up the core of a sectoral partnership. By reaching across an entire industry within a region, sectoral partnerships can have far greater impact than any single union, employer, or community group. Often they begin by offering skill-development services, then grow to help employers modernize facilities and harness technology.

Sectoral partnerships generally are structured in one of two ways. In some instances, unions and a group of employers in an industry negotiate employer contributions to a labor-management partnership fund, which typically has an equal number of union and employer representatives on its governing board. Examples include the Southern Nevada Carpenters Journeymen and Apprentice Training Program, the Graphic Arts Institute of Northern California, and the service-sector training and upgrading funds created by HERE Local 2 in San Francisco and Local 226 in Las Vegas.

In other cases, unions and management within an industry form a coalition such as the Labor-Management Council for Economic Renewal in Detroit, the Garment Industry Development Corporation in New York, the Wisconsin Regional Training Partnership and, in Massachusetts, the E-Team Machinists Training Program. Some of these labor-industry coalitions, lacking collectively bargained training funds, have tapped public school-to-work and welfare-to-work funds for training new and incumbent workers. Some have accessed public capital investment and financing programs to help them provide workplace modernization services. A number have formed nonprofit organizations and received foundation funding.

Regional partnerships, which operate across multiple industries, also can be grouped into two main types. The first is typified by regional labor-community alliances such as the South Bay (California) Labor Council's Working Partnerships USA and the Worker Center in Seattle. Based within their local labor councils, both groups reached across their regional economy to connect union leaders, community leaders, and local government to foster training, placement, and economic development initiatives. Labor-community alliances often attract funding from public agencies and private foundations.

The second type includes such regional labor market organizations as western Pennsylvania's Steel Valley Authority and the Consortium for Worker Education in New York City. These initiatives can work across the entire regional economy or within a broad sector such as manufacturing. They draw funding from state and local government, as well as unions and employers. A public economic development agency sponsored by unions and community groups, the Steel Valley Authority receives state and local government funds to preserve good industrial jobs through modernization, helping employers access capital, train workers, and support continuity of ownership for at-risk small and medium-sized manufacturers. The Consortium for Worker Education brings together 40 unions in a multi-sector training program that serves the public and private sectors.

The study found that as sectoral and regional partnerships grew, they began to develop deep connections with regional organizations and with state and local government. They moved toward becoming both sectoral and regional, with roots in the union movement, the community, and employers. The Southern Nevada Carpenters Journeymen and Apprentice Training Program and HERE's Culinary Union Training Center in Las Vegas, for example, began as sectoral partnerships and developed close ties with the Interfaith Council for Worker Justice, immigrant advocacy groups, Latino organizations, civil rights groups, women's organizations, and welfare-to-work government agencies. The Garment Industry Development Corporation crafted relationships with Chinese and Latino membership groups, and the Wisconsin Regional Training Partnership connected with congregations and civil rights groups as part of the Milwaukee Jobs Initiative and the Campaign for a Sustainable Milwaukee. These partnerships have found that as they develop community ties, they attract greater interest from state and local government as well as foundations.

Regional partnerships, meanwhile, have built stronger ties to industries. The Worker Center in Seattle strengthened its connections with unions and employers in the shipbuilding and construction industries to address industry development and worker training, recruitment, and placement. Responding to social inequality within the wealth of Silicon Valley, Working Partnerships USA created a workplace modernization and work redesign program that led to an innovative system for training and placing temporary office workers.

Funding Sources

The partnerships draw on a wide range of private and public funding. Eight utilize union-management negotiated joint funds. The Southern Nevada Carpenters Journeymen and Apprentice Training Program, for example, is a traditional construction sector, labor-management training program that has addressed a rapidly changing workforce. The San Francisco Hotels Partnership brought together two of the Bay Area's most dynamic forces: the hospitality industry--San Francisco's largest private-sector employer--and the multi-ethnic HERE Local 2 to form problem-solving teams that improved operations and working conditions.

Seven partnerships have obtained support from private foundations. The Wisconsin Regional Training Partnership benefited from an Annie E. Casey Foundation initiative to link central-city

residents to family-supporting jobs. Working Partnerships USA received funding from the Charles Stewart Mott Foundation, the Rosenberg Foundation, and several others to establish its temporary worker project. And the E-Team Machinist Training Program received funding from the Discount Foundation through its community partner, the Essex County Community Organization.

Six partnerships, including the Wisconsin Regional Training Partnership and the Consortium for Worker Education, used the US Departments of Labor and Health and Human Services' welfare-to-work funding. Nine collect fees for services provided. The Graphic Arts Institute of Northern California uses tuition and fees from nonunion participants to lower costs for training union members.

Nine partnerships use state or local funds for incumbent worker training, and six use state funds for "manufacturing extension" (publicly supported modernization services for manufacturers) programs. The Wisconsin Regional Training Partnership has two full-time labor-management specialists on staff extending technical assistance to companies.

Six partnerships receive funding through community colleges, and three get funding through state education departments.

To survive and to thrive, partnerships need to:

- carefully identify all potential funding sources and work to develop the skills needed to apply for and continue receiving support from the appropriate sources.
- look beyond traditional funding sources and use the leverage of their partnerships to seek innovative support.
- call on universities and research institutes for expertise that can support programs, as have partnerships in Michigan, Wisconsin and California.

Preliminary Results

Preliminary results reported by the partnerships are encouraging. Although some are young enough to be able to report only on numbers served, rather than long-term outcomes, examples such as these indicate that support and expansion of partnership activity is warranted.

At the Culinary Union Training Center in Las Vegas, which began in 1989, more than 2,500 workers a year were completing the program by 1997. The center says its placement rates and wages paid to graduates are higher than those of other private social service and training organizations, and costs to taxpayers and clients are lower.

By 1999, more than 7,000 workers had gone through the Hospital League's job-to-job training. More than 1,100 workers were placed in new jobs.

More than 1,000 labor and management representatives from 70 worksites and 25 local unions have attended Labor-Management Council for Economic Renewal programs.

The Garment Industry Development Corporation has trained thousands of workers, generated more than \$35 million in new sales and opened new international markets for employers.

In Milwaukee, more than 400 central-city residents have been placed in industrial jobs since the summer of 1997. Their average starting wage, according to the Wisconsin Regional Training Partnership, has exceeded \$10 an hour, plus health care, pension, tuition reimbursement, and other benefits. Almost 70 percent have retained their employment. Successful participants have increased their average annual earnings from \$9,000 to \$23,000 in their first year on the job.

The Wisconsin Regional Training Partnership's co-presidents, representing business and labor, headed a state task force on the Future of Technical Education and Training that prompted a \$20 million training fund in the state's biennial budget to help low-income workers achieve upward mobility, a \$13 million scholarship fund to help youths attend local technical colleges, and a \$7 million expansion of school-to-work programs for disadvantaged students. Workplace activity has resulted in \$21 million in private investments in training.

The Steel Valley Authority's Early Warning Network's job retention efforts have been cited as a model by the US Department of Labor. Over the past decade, the Steel Valley Authority has saved more than 7,500 jobs.

Working Partnerships USA has recruited 400 participants in its new temporary staffing service and negotiated an affordable, portable health benefit plan with Kaiser Permanente. All job placements have been made at \$10 per hour or more. The partnership also has launched a code-of-conduct campaign to restructure the nature of temporary hiring services in Silicon Valley.

Challenges and Action Steps

Through interviews and meetings with partnership leaders and staff members to review the initial findings of our research, the Working for America Institute identified a number of organizational challenges and needs facing highroad partnerships--as well as the assistance partnerships need to be most effective. In the broadest terms, partnerships and potential partnerships face challenges from convening partnerships and building leadership to identifying problems and strategies to address them, and finally implementing programs and building effective high-road organizations.

The partnerships identified the need for technical assistance and other action that would draw on their own evolving expertise, as well as that of the Working for America Institute. The institute was seen as a catalyst, with expertise to encourage and aid new partnerships, as well as an organizational resource for information and the linchpin of a partnership's learning

network. Types of technical assistance called for include cross-region coordination and shared learning opportunities, workforce development with a focus on community linkages, strategic planning for consortium development, research for business, and sector development.

The partnerships identified the need for peer-to-peer, organization-to-organization learning exchanges ranging from strategic planning and research to curriculum development and program administration. Although they are powerful institutional players within their sectors and regions, high-road partnerships can learn much from one another but have few opportunities for direct contact. In fact, most of the partners brought together by this study had never met before--leading the Working for America Institute to establish a much-needed network of partnerships. The core of the network activity identified by the partnerships includes:

- Creating and expanding learning exchanges to allow existing and newly forming partnerships to share information and ideas and establishing mentoring relationships.
- Organizing cluster groups or academies to bring people together from across the regions for formal training, peer-to-peer learning, and joint planning.
- Developing web-based systems to enable the partnerships to communicate in virtual settings and share best practices, alerts on funding, and program and curricula material.

Planning and Strategic Research

To develop and grow, organizations need sound strategic planning and research. All 14 partnerships used these important tools to make decisions, build alliances, raise public awareness, and build their organizations.

Strategic planning is a group process that requires a range of skills: facilitation, communication, and problem solving. When partners plan together, as did the E-Team union and community partners, they reach new understandings, overcome barriers, set common goals and create opportunities for future ventures.

Strategic research provides facts to assist people engaged in strategic planning with decision making. As demonstrated by Working Partnerships USA's series of reports on the economy of the Silicon Valley, strategic research also can be used effectively to raise public awareness and credibility. The Worker Center, AFL-CIO, has used strategic planning and research to build a series of labor-community coalitions in the Puget Sound area. The Wisconsin Regional Training Partnership and the Labor-Management Council for Economic Renewal have based their work and outreach efforts on strategic industry and sector research. The Hospital League and the Philadelphia Hospital and Health Care-District 1199C Training and Upgrading Fund use industry trends and job skill research to design their training.

The need is clear for continuing research into new and existing high-road organizations. To attract funding and encourage others to develop partnerships, research is needed on what

works, what does not, and what is useful to know in measuring the difference. Three areas of needed research are: 1) criteria or benchmarks that organizations may use for evaluation purposes; 2) current information on high-road economic development practices and policies from across the country; and 3) identification and exploration of the evolution of additional high-road partnerships.

Conclusion

Working families today live in an economy that values education, skills, and family self-sufficiency. Yet, it doesn't provide adequate tools for many workers to gain skills, and it doesn't create and retain sufficient quality jobs that sustain families. Employers operate in an economy that rewards competitors for low-road behavior such as moving operations to low-wage countries with few if any protections for workers and the environment.

Through high-road partnerships, unions, employers, communities, and government are working together to create and retain good jobs, enable employers to compete based on innovation and value, and build strong communities with working-family-friendly economic development.

By combining the key players in sectoral and regional economies, high-road partnerships have the potential to achieve far more change than any individual union, firm, community group, or government agency could.

Bruce Herman is the program director of the AFL-CIO Working for America institute, which is dedicated to building a high value-added, socially inclusive, high-road economy. At the institute, he leads a team of professionals who work with unions, employers, and communities to help retain, expand, and create good jobs by supporting the development of regional and/or sectoral partnerships. He is the former president of the Garment Industry Development Corporation (GIDC) in New York City.