TRAINING AND EMPLOYMENT NOTICE

NO .
08-24

DATE
September 9, 2024

TO: STATE WORKFORCE AGENCIES

STATE WORKFORCE ADMINISTRATORS

STATE AND LOCAL WORKFORCE INVESTMENT BOARD CHAIRS

AND DIRECTORS

STATE LABOR COMMISSIONERS

STATE RAPID RESPONSE COORDINATORS

AMERICAN JOB CENTERS COMMUNITY COLLEGES

STATE APPRENTICESHIP AGENCIES

ETA COMPETITIVE GRANTEES

YOUTHBUILD PROGRAMS

STATE AND LOCAL STAKEHOLDERS IN THE WORKFORCE

INNOVATION AND OPPORTUNITY ACT

FROM: JOSÉ JAVIER RODRÍGUEZ /s/

Assistant Secretary

SUBJECT: Release and Availability of Updated 2024 U.S. Department of Labor's

Sector Strategies Framework

- 1. <u>Purpose</u>. The purpose of this Training and Employment Notice (TEN) is to notify the public workforce system of the release of an updated Sector Strategies Framework, as well as related technical assistance resources that are available to support the broad implementation of effective sector strategies.
- 2. <u>Action Requested.</u> Review the Framework and technical assistance resources and disseminate broadly to relevant stakeholders and partners.

3. Summary and Background.

- a. Summary This TEN provides information on a new Sector Strategies Framework and supporting technical assistance resources. It also provides background on the collaborative research and analysis that was done to develop the updated resources.
- b. Background The Workforce Innovation and Opportunity Act of 2014 (WIOA) emphasizes the important role of sector strategies in a dynamic regional workforce development plan. Within WIOA, regional coordination and planning requirements include the necessity of a regional plan that supports the "development and implementation of sector initiatives for in-demand industry sectors or occupations in the regions." Sector strategies are useful approaches of local and regional workforce development that align the collective needs of employers in an in-demand industry with the skilled workforce needed, while ensuring a successful career pathway from training

to employment and career progression. Evidence supports the effectiveness of sector strategies in responding to local and regional workforce needs but it also points to challenges in implementing and sustaining a sector partnership.

To address these challenges and to create a consistent model for effective delivery of sector strategies, the Department of Labor's Employment and Training Administration (ETA) first developed a sector strategies framework in 2016, which has been used to inform many of ETA's recent investments. This framework defined a sector strategy model as a partnership of multiple employers within a critical industry that brings together education, economic development, workforce systems, and community organizations to identify and collaboratively meet the workforce needs of that industry within a regional labor market.

Over the last eight years, the workforce system's understanding of sector partnerships and sector strategies has evolved, recognizing the importance of engaged partnerships, data-informed decision making, worker voice, and activities to support equitable opportunity and job quality as key components of an effective sector strategy model. This recognition has been supported through diverse workforce stakeholder engagement activities that informs the new Sector Strategies Framework.

In early 2023, ETA issued a Federal Register *Notice of Request for Information (RFI) on Sector Strategies to Meet Critical Workforce Needs Across Industries*. This RFI provided feedback from diverse stakeholders regarding partnership roles, promising practices for employer and worker engagement, challenges, evidence building, and sustainability. Building on the analysis of these responses, ETA engaged the American Institutes for Research (AIR) to review the current research literature on sector strategies, and to convene listening sessions, both virtual and in person, with national subject matter experts and local and state practitioners to further refine and validate the key themes and components for effective sector strategies that emerged.

4. Sector Strategies Framework. The 2024 Sector Strategies Framework serves as a guide for all practitioners and is intended to advance knowledge and support the development, scaling and sustainability of sector partnerships. The updated version reflects the collective wisdom of those who have found success and lessons learned from the challenges of those who aspire to sustain their sector partnerships.

The updated Framework retains the original focus on industry as the foundation and driver of sectoral engagement. At the core of any sector is the industry employers who drive the growth and economic vitality of that sector within the identified economic region. While being industry-driven, sector partnerships and strategies are part of a systems approach to address complementary needs of multiple "customers" – not just employers, but also workers, and the communities that both depend on and drive that sector.

The 2024 Sector Strategies Framework identifies three core, cross-cutting components that are necessarily present within all sector strategy activities. These are 1) Engaged partnerships, 2)

data-informed decision making, and 3) worker representation and job quality. These three components are woven throughout the sector strategy approach, within each key element, to ensure that a sector strategy is broad-reaching and meets the needs of its partners as the workforce needs change over time.

The updated Sector Strategies Framework includes five key elements that all sector partnerships must have. While some of these have not changed since the initial framework (industry engagement, sector-based service delivery, and continuous improvement), other elements emerged as central to a sector strategy model. These revised and updated elements are leadership, vision, and alignment and resources and capacity. While parts of these elements existed in the original, the explicit emphasis on leadership and vision came from stakeholder feedback, in which a key theme was the need for an intermediary or "backbone" organization that takes ownership of the sector partnership, holds partners accountable, and ensures through a shared vision that they stay engaged. Uplifting resources and capacity as a key element respond to the common challenges of sustaining sector partnerships and identifying ongoing funding streams and resources to support the work.

The core audience for this Framework are local and state Workforce Development Boards as they fill a key role as sector convenors under WIOA. However, every sector partnership is unique to the local context and in some areas, different organizations may act as the intermediary organization, or it may be filled by several organizations taking on different elements of the sector strategy framework.

To ensure effective implementation of sector strategies, the Framework is supported by relevant technical assistance resources. These resources are an Implementation Guide that provides an in-depth process for sector strategy partners and practitioners, a Self-Assessment Tool to support practitioners to see how their sector strategies efforts align with the Framework and Implementation Guide, and a three-part virtual training series that delves deeper into each core component and key element.

5. Inquiries. Please direct inquiries to the appropriate Regional Office.

6. References.

• Link to 2024 Sector Strategies Framework and Resource: <u>Sector-Strategies-Framework</u>

7. Attachments. None.