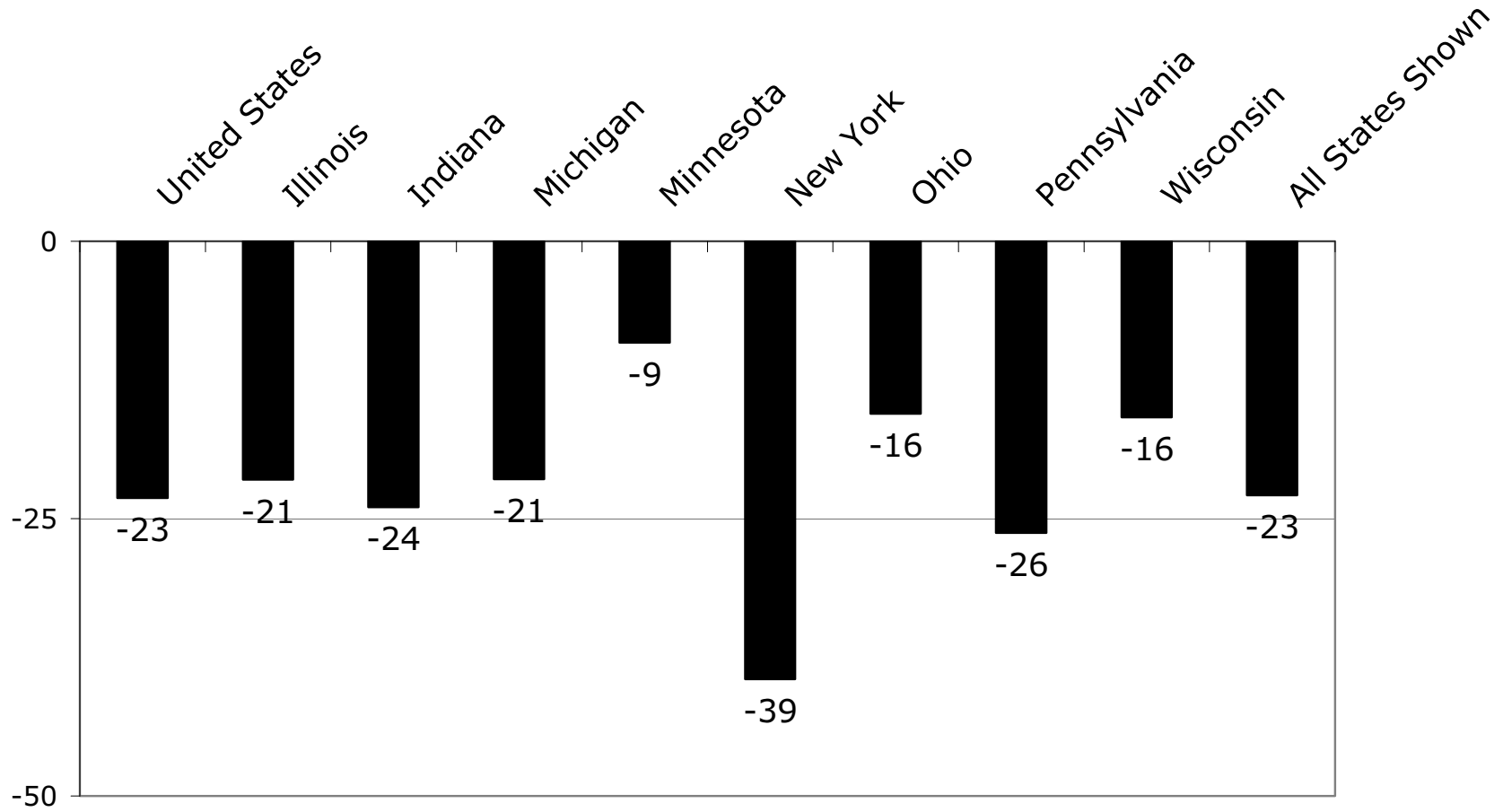


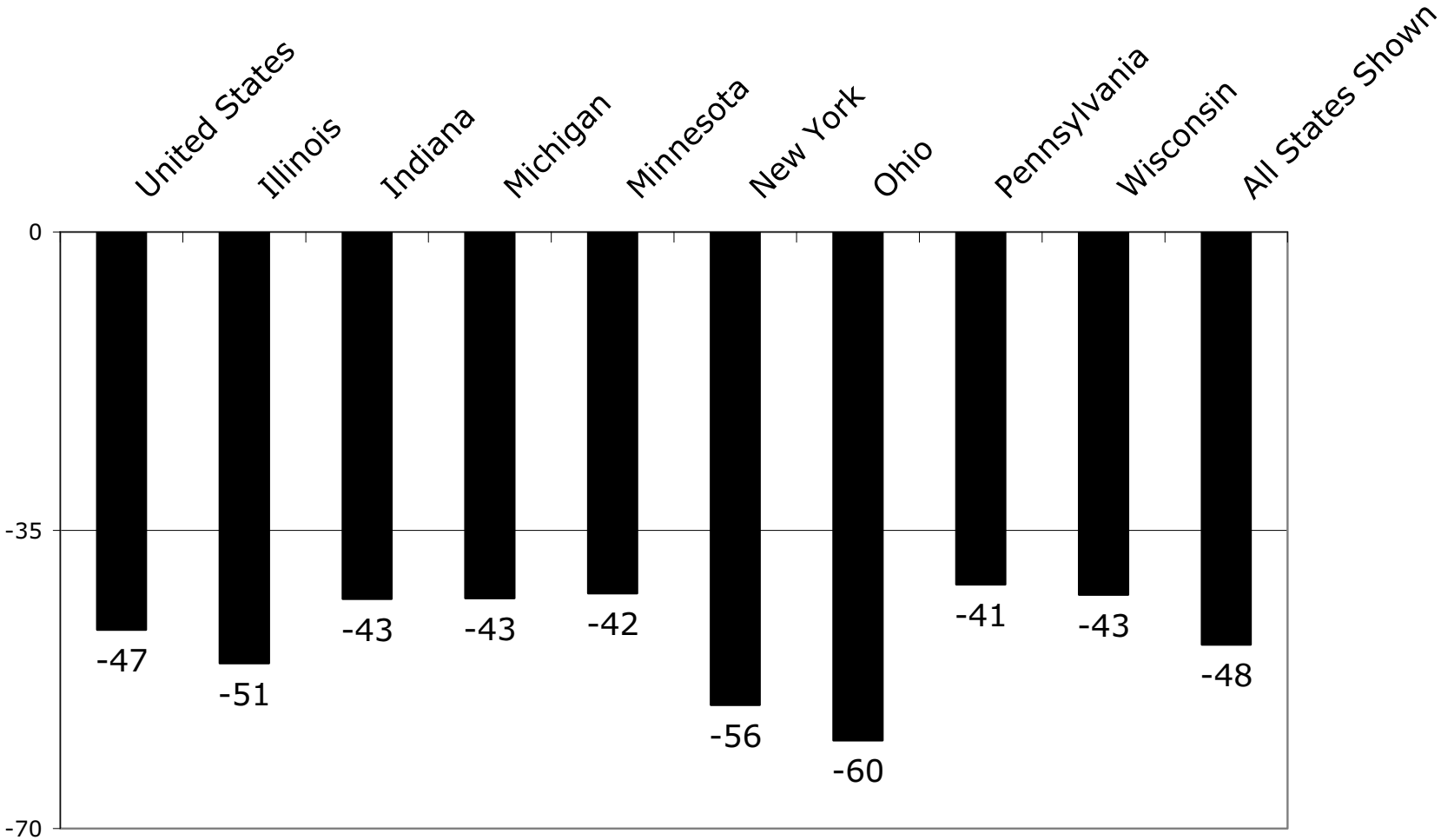
Pennsylvania's Industry Partnership Strategy

Presentation to
Regional Economic Revitalization Summit
by
Stephen Herzenberg
Keystone Research Center
April 17, 2008

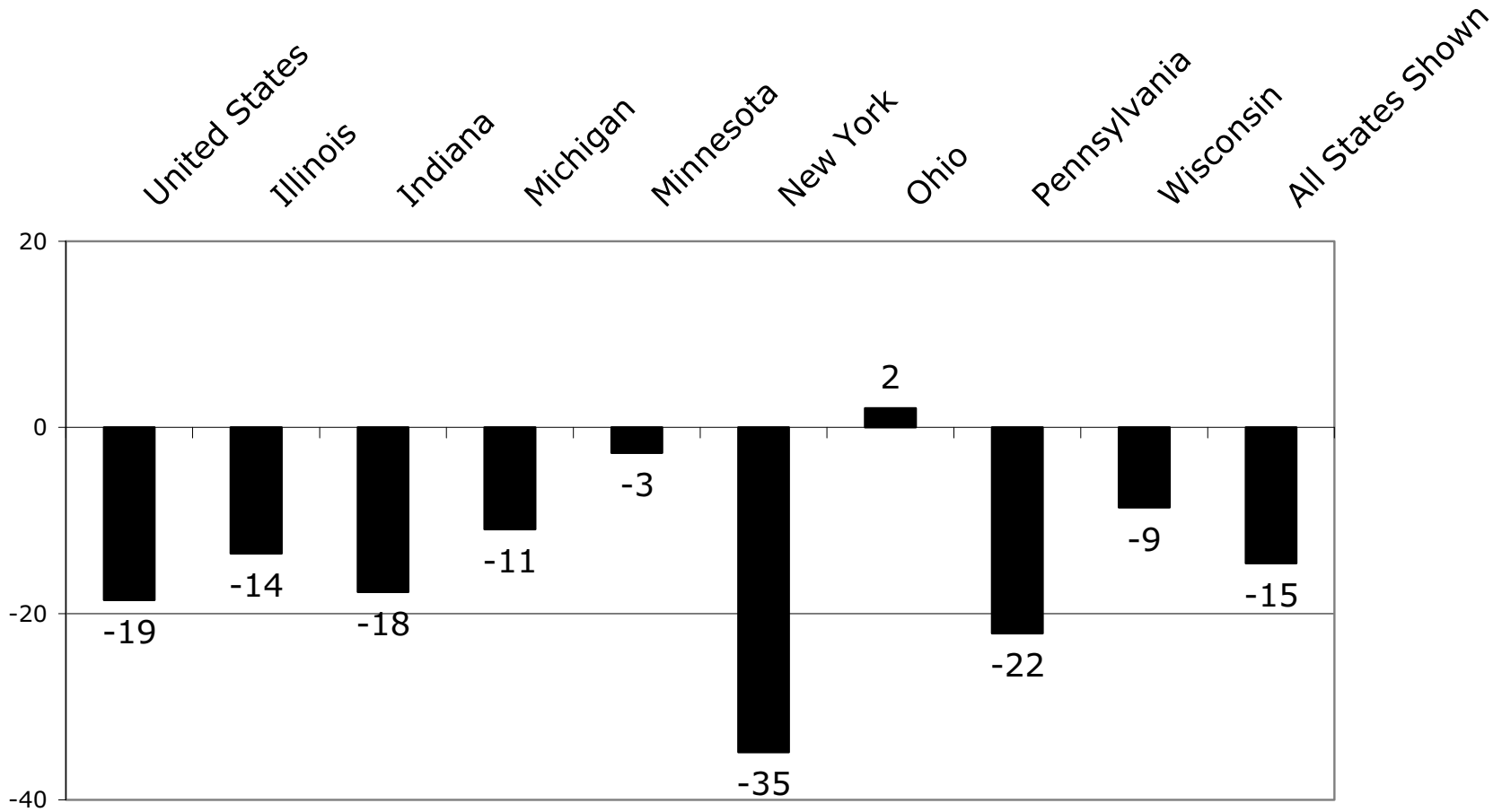
Percent Change in Manufacturing Employment 1997 to 2007



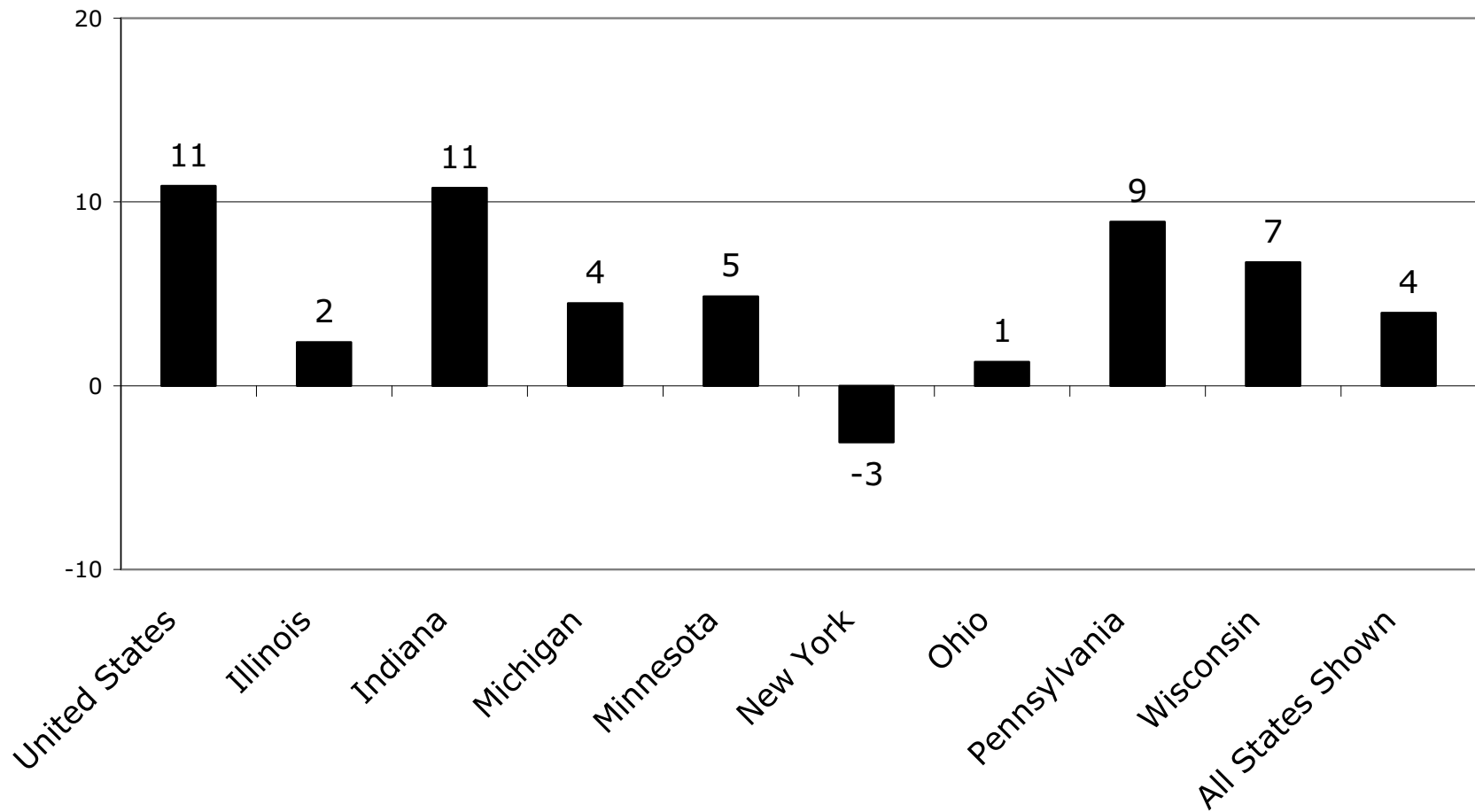
Percent Change in Union Membership 1997 to 2007



Percent Change in Non-Union Employment 1997 to 2007



Percent Change in Hourly Earnings of Union Members 1997 to 2007



PA's Industry Partnerships: Basic Facts

- Nearly 90 Industry Partnerships (IPs)
- About a third in advanced manufacturing and other manufacturing sectors
- Coordinated by a mix of WIB staff/consultants, non-profits, industry associations, labor organizations
- Engaged more than 6,000 businesses

PA's IPs: The Goals

- Connect training and education to the needs of industry/the economy
- Help boost company competitiveness
 - In manufacturing—help more companies adopt high-performance organizational approaches and succeed in non-commodity markets
- Expand opportunity for workers
 - Now including, through National Fund for Workforce Solutions, more resources for IPs to find the sweet spot that benefits employers and low-income workers

IP Implementation Tools for Other States

- Methodology for defining targeted Industry Clusters/Targeted Industry Cluster book
- Methodology to define High Priority Occupations—jobs in demand that pay well or offer career opportunities in targeted clusters
- Annual appropriation of \$5 million to “build” IPs and \$15 million for training through IPs
- IP guidelines (for RFPs)
- IP Academy (four-session training for IP coordinators and IP teams)

IP Implementation Tools (2)

- Annual Report: High Performance IP Standards
 - Outcomes for businesses
 - Outcomes for workers
 - Institutional alignment
 - Governance
- Each Section
 - Does the IP have the critical knowledge?
 - Does it intervene strategically based on knowledge?
 - Does it measure progress/ what are the outcomes?

Labor Engagement with PA's IPs

- New PA AFL-CIO Workforce Arm (Keystone Development Partnership)
- Some 18 IPs with labor as equal partner
 - Advanced Manufacturing, Utilities, Transit, Building and Construction, Long-term Care, Hospitality, Printing, Child Care

Some Labor-Management Examples

- UAW representative: IPs as a vehicle for growing membership in a climate in which organizing is difficult
- SEIU-Golden Living (formerly Beverly) IP—IPs as a vehicle for “culture change”/quality jobs-quality care in long-term care
- KDP: what is it’s role in supporting the emergence of “new unionism”?

Capacity Challenges

- Applied industry research: map the high road, “next steps to get there,” measuring progress
- IP Coordinators
- Labor-management IP coordinators
- Business-Association/Labor/Community partnerships that share a high-road vision and understanding of IP role in getting there