Opportunity Knocks:

Lessons Learned From Leveraging Opportunity Talent

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Introduction

Given today's labor shortages plaguing almost every business, employers are looking for talent in new places. Sometimes this means broadening recruiting and hiring efforts to consider traditionally marginalized groups, such as people impacted by the criminal justice system, immigrants, people with disabilities, as well as the economically disadvantaged.

But how well are these initiatives working? And what can we learn from early adopters who seek to improve inclusion of opportunity population talent (OP)? Though we acknowledge different definitions exist, we define OP talent as those with limited access to educational and professional opportunities and who face major barriers to employment and career advancement?

To better understand the potential of these innovative initiatives, we have collected data and information from several Talent Pipeline Management® (TPM) partners. Our research completed across four case studies shows that initiatives intended to improve access to OP talent can be designed very differently.

- San Diego's Economic Development
 Corporation (EDC) launched an
 employer collaborative¹ to enhance the
 region's talent ecosystem by aligning
 employers' staffing needs with local
 college programs to increase Hispanic
 talent in software engineering jobs.
 Read the case study.
- Kentucky's Chamber of Commerce Foundation used the experience of their employer collaborative's second chance hiring program to develop program design templates that can be used across industries to replicate similar successes in increasing job opportunities for talent impacted by the criminal justice system. Read the case study.

- Consumers Energy, Michigan's largest utility, customized an electric line worker training program to intentionally increase the number of women and minorities it was attracting to this high-paying job. Read the case study.
- DTE Energy, a Detroit-based utility, introduced a series of work readiness workshops to make sure more women, minorities, as well as people with disabilities, have the credentials and employability skills needed to succeed in the company's rigorous hiring process. The case study will soon be released on <u>forwardontalent.org</u>.

Here are five lessons to help you leverage opportunity population talent in your region and enhance your talent pipelines based on our partners' experiences.

¹An employer collaborative is a group of employers that come together to focus on a shared pain point for their most pressing talent challenges.

1. Look to TPM as a versatile framework.

The lead partners in all four cases had been through the TPM Academy®, which helped them recognize critical action steps needed to improve job opportunities for traditionally marginalized job candidates. Their understanding of the TPM framework also helped them identify success factors that would demonstrate an employer return-on-investment to keep employers meaningfully engaged in these initiatives—though each of the partners may define success differently.

San Diego's EDC used the TPM framework, for example, to organize a working group of 17 companies anxious to hire more software engineers. They subsequently identified "preferred providers" among local schools, as encouraged by TPM, to build more productive relationships with employers looking for job-ready talent.

²A preferred provider is an entity that provides education, training, or wraparound support services to talent and is an integral part of the talent supply chain. A provider is deemed "preferred" by an employer collaborative based on past performance, responsiveness, and willingness to work with employers to co-design talent supply chain solutions, as well as its capability to meet employer needs.

In Kentucky, where the equine industry is a major economic driver, the state Chamber of Commerce Foundation created an equine collaborative that explicitly used the TPM framework. In the process, they identified the industry's pain points for its most essential jobs, demand projections for the coming years, and the specific skills needed. When the talent demands suggested a need to explore new talent sources, TPM guided equine employers in how to look for new partners, which led them to the Thoroughbred Retirement Foundation's Second Chances Program at Kentucky's Blackburn Correctional Facility.

Meanwhile, Consumer's Energy, a company that had integrated the TPM framework into its talent strategy for several years, used TPM strategies as part of a continuous improvement process to reinvent its electric line worker's training program to increase the participation of female and minority candidates.

Comparing these initiatives shows the TPM framework can enhance the connection to OP talent in many ways and at various stages of the process for creating systemic change. Of course, where you start will depend on the employers' greatest pain points and where the talent pipeline is most in need of alignment and strategy in your region.

The lesson is to allow the TPM framework to meet your community (and organization) where it is in its journey in leveraging OP talent as opposed to being overly prescriptive. TPM is comprised of six strategies that focus on action-oriented steps and can provide a structured process for designing and implementing talent supply chain solutions. Always revisit the employers' pain points as true north.

2. Strong partnerships with organizations providing wrap-around services are critical to success.

Building effective relationships with talent providers is essential to enhance any talent pipeline. However, we often forget about the critical role support service providers, or those that provide "wrap-around" services, play in connecting, sustaining, and advancing employee engagement and success in the workplace. When working with OP talent, these partnerships take on extra importance and require employers to break the mold of who might traditionally be considered a "talent provider."

³A provider is defined as the role education, training, and service partners play in providing services designed to deliver talent for employer end-customers in a talent supply chain.

For example, Consumer's Energy not only had to identify provider partners to supply them with candidates for the line worker's training program, they also needed partners who could help the employer better understand what barriers were limiting access to the OP talent the employers were hoping to include in their pipelines. This included providing families with financial support when a family member was away being trained as well as meeting transportation needs. Without these partnerships and the solutions that came to be as a result of involving community organizations, the program could not attract the candidates it sought to support.

Revisiting the equine industry in Kentucky, a key factor for success was ensuring that once an employer makes a job offer to an inmate preparing for release, the employer must work with the reentry coordinator in the Department of Corrections to ensure that their new employee has stable housing and reliable transportation.

Addressing these basic needs helps to ensure these "second chance hires" succeed in their new workplace.

The lesson is that partners providing wrap-around support are essential to achieving better outcomes for all talent experiencing barriers to stability in the workforce. Recognizing the important role support service providers play in helping employers better understand these barriers leads to changed employer perspectives and behaviors, a more inclusive workforce, and—most importantly—shared value for all parties.

3. New obstacles may surface, listen to what the data tells you.

In each case we studied, initiatives to increase job opportunities inevitably identified new challenges to successful employment.

In Kentucky, a program to place former inmates in jobs in the equine industry was hindered by the lack of legal identification (i.e., state ID card), which turned out to be a common problem for many recently released inmates. Not having an official state ID meant people coming out of prison couldn't get a driver's license or set up bank accounts. The employer collaborative members saw the inability to access a type of personal identification as a critical barrier to hiring otherwise qualified talent and brought the issue to the Department of Corrections to develop a solution.

In San Diego, the EDC's initiative to increase the participation of Hispanic talent in software engineering jobs led employers to rethink what signals they were sending with the current requirement of a college degree for entry-level jobs. Changing this requirement might seem like a simple task, however it proved to be much more complex for larger employers, particularly those that worked as government contractors. Many government contracts require those employed on the project to hold a specific degree or the ability to obtain a certain level of security clearance.

The lesson is to expect additional challenges to rise to the surface and recognize how they may impact your overall goals. To realize success in these initiatives, you must be flexible enough to address unanticipated barriers as they are realized.

4. Build it, but they won't necessarily come.

Even once a solution has been identified and put into place—in this case a program that you assume will be a great benefit for marginalized job candidates that does not necessarily mean people will rush to sign up. Initiatives in both Michigan utilities (i.e., Consumers Energy and DTE Energy) experienced this when considerably fewer minorities than expected signed up for the pilot offerings. Leaders were puzzled by the lack of interest. Ultimately, the two utilities learned that traditional recruiting tactics did not work, and they needed to be intentional in understanding the "Why?" to address the reasons people were not signing up for these talent pipeline programs.

There were a variety of reasons for the lower-than-expected engagement with OP talent groups. Primarily, there was a lack of information about the program's existence and benefits. This illuminated for leaders that what they might see as a great opportunity might not address the immediate needs or barriers for the intended talent to participate in these programs. For example, the chance to obtain new skills resulting in a highwage role such as an electric line worker, might not always translate to the intended audience, depending on how it is presented. Outside of perception, additional barriers to participation were access to reliable childcare and transportation, the potential for lost wages or income from another job while in training, and a lack of confidence to step into a completely new opportunity.

The lesson is not to assume that utilizing the same traditional approaches to training and recruitment will achieve different results. A training program designed to support OP talent needs input from the intended audience and a clear understanding of their needs to be successful.

5. Seek opportunities to replicate your success.

If successful, programs that increase access to opportunity populations will most certainly evolve to create broader opportunities for training and hiring marginalized candidates.

In Kentucky the equine industry reentry program has developed program and procedural templates for second chance employment that can engage employers from other industries, such as manufacturing and construction. Experience from the equine program, for example, shows other employers how to interview potential second chance job candidates before they are released.

DTE's work readiness workshops were originally offered to support recruiting in its electric utility operations. After its initial success, a template for the workshops was quickly developed and plans were in place to offer programs in gas operations and appliance repairs. The goal was to identify more diverse and qualified talent across the state of Michigan for hard-to-fill roles throughout the company.

Initiatives that successfully engage opportunity population talent are likely to be pulled into other sectors or parts of the business. The lesson is that it is important to capture, from an early stage, early learnings and to document the process developed so that it can be replicated as quickly and effectively as possible in other areas.

Final Takeaway: Commit and Invest in DEI

Changes in the labor pool across the U.S. are not just a function of the COVID pandemic. They are the result of multiple long-term demographic factors, such as an aging workforce, reduced immigration, changing values of workers, and more complex skills required—even for entry-level jobs. Employers, and their workforce development partners, must find ways to tap traditionally overlooked sources of talent to help fill these gaps. Applying the TPM framework to leverage OP talent is a demonstrable way to get traction for this challenge.

Here are the six strategies that make up the Talent Pipeline Management framework. Participants in the four initiatives we studied used many (or all) of these strategies when implementing their programs.

Strategy 1: Organize for Employer Leadership and Collaboration

Create a collaborative that organizes employers to identify the most promising opportunities for engagement around similar workforce needs.

San Diego EDC's initiative used TPM as an organizing framework to create a collaborative of 17 employers focused on better aligning the region's education system with the talent needs of local businesses in software-related jobs. Kentucky's Chamber Foundation also used collaboratives to organize their most pressing talent needs for a critical industry in the state.

Strategy 2: Project Critical Job Demand

Develop projections for job openings to determine with accuracy the type of talent and how much of it employers need.

By engaging in the TPM demand planning process, employers in each of the four case studies were able to communicate how many employees they need to fill critical jobs, within what locations, and based on a timeframe that is most in sync with their business cycles. Leveraging the TPM demand planning process allowed the employers to use their own business assumptions to determine these projections, as opposed to relying on secondary labor information sources.

Strategy 3: Align and Communicate Job Requirements

Create a shared language to better communicate competency, credentialing, and other hiring requirements of critical jobs in ways that allow employers to signal similarities and differences.

Consumers Energy and DTE Energy were intentional and thoughtful in identifying which skills were most essential for OP talent to be able to succeed in the employers' critical jobs. San Diego EDC's employer collaborative revisited their credential requirements to rely more heavily on skills-based hiring to determine fit for their essential jobs.

Strategy 4: Analyze Talent Supply

Identify where employers historically source their most qualified talent and analyze the capacity of those sources—as well as untapped talent sources—to meet projected demand.

The Kentucky Chamber Foundation recognized the potential to develop a relationship with a new talent source—Kentucky's Blackburn Correctional Facility—in order to meet demand. By thinking outside of the box and considering untapped talent pools such as OP talent, employers can enhance their talent pipeline.

Strategy 5: Build Talent Supply Chains

Build and manage the performance of talent supply chains to create a positive return on investment for all partners.

Such as the case for each of the four cases examined, employers and provider partners co-design talent supply chain solutions that generate shared value, and in particular for students and workers. Leveraging the data collected from employers—such as the demand projections and the skills and credential requirements—results in more effective partnerships that can improve outcomes for students and workers.

Strategy 6: Engage in Continuous Improvement and Resiliency Planning

Use data from your talent supply chain to identify the most promising improvement opportunities to generate a better return on investment in the future.

Consumer's Energy had been using the TPM framework for several years with great success in meeting their original pain points of unfilled job openings. But they were not getting the diversified workforce they knew they would benefit from. By using TPM's continuous improvement process, they were able to revisit each step in the process with talent diversification as their priority.

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