

*creativity*

*innovation*

*insight*

**BENCHMARKING  
FOR SUCCESS**

*collaboration*

*vision*

**BENCHMARKING  
WORKFORCE INVESTMENT BOARDS:  
CRITICAL SUCCESS FACTORS**

**2006**

A Project in Partnership with:

Central Region Workforce Investment Board

Northwest Region Workforce Investment Board

Workforce Investment Board of Southwest Missouri

Kansas City Region Workforce Investment Board

Missouri Division of Workforce Development

Missouri Training and Employment Council

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The opinions expressed herein are not necessarily those of all local Steering Committee or National Advisory Group members.

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# *Table of Contents*

<b>Acknowledgements</b> .....	<b>3</b>
<b>Executive Summary</b> .....	<b>9</b>
<b>Introduction</b> .....	<b>15</b>
Overview.....	15
Purpose.....	17
Methodology .....	17
<b>The Critical Success Factors</b> .....	<b>22</b>
Measuring Success.....	22
Managing the Work of the Board.....	25
Working Strategically.....	35
Developing & Managing Financial Resources .....	42
<b>Final Critical Success Factors</b> .....	<b>46</b>
Measuring Success.....	46
Managing the Work of the Board.....	47
Working Strategically.....	48
Developing & Managing .....	50
Financial Resources .....	50
<b>Conclusion</b> .....	<b>51</b>
Key Learnings .....	51
Next Steps .....	55
<b>Self Assessment Tool</b> .....	<b>57</b>
Measuring Success.....	57
Managing the Work of the Board.....	59
Working Strategically.....	63
Developing and Managing Financial Resources.....	66

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<b>Appendices .....</b>	<b>68</b>
Appendix 1: Guiding Questions for Site Visits .....	68
Appendix 2: Background Survey Results .....	74
Appendix 3: Self-Assessment Results.....	76

# Executive Summary

**M**ost federal and state attention on quality in workforce development has been directed toward quality in the one-stop centers. From mystery shopping to chartering, benchmarking to balanced scorecards, the assumption has been that quality in workforce development is defined at the street level.

The delivery system, however, operates on a “retail” basis. Success comes in small quantities, one job order, one trainee, one placement, one employer at a time. Impact at the community or “wholesale” level is not likely to come about from one-stops that come into contact with only a small percentage of workers and employers. Wholesale impact must come from strong local vision and leadership. Workforce investment boards (WIBs) can, should, and do play leadership roles such as community convener, information broker of value-added workforce intelligence, connector to strategic relationships and alliances, and workforce intermediary. The best boards play those roles extremely well. We believe all boards can learn from the leading edge practices employed by the boards benchmarked in this study. The study provides an opportunity to examine the exemplary practices of workforce industry leaders who provide standards to which all boards may aspire. We believe there is tremendous opportunity to increase the impact of boards, leverage more resources for workforce development, and increase the potential for at-risk communities to regain their competitive advantage.

**The Missouri Division of Workforce Development** (DWD), under the leadership of Rod Nunn, determined to seek out the characteristics of the boards that are positively impacting their communities to see if those characteristics could be emulated in Missouri to better benefit businesses, workers, worker pipelines, and local economies. Four forward-thinking WIBs in the state were engaged to push and guide the project: the Central, Northwest, Southwest, and Kansas City region boards. Corporation for a Skilled Workforce (CSW), which was contracted to conduct the study, facilitated a Steering Committee comprised of representatives of the staff and chairs of those boards along with representatives of DWD and the Missouri Training and Employment Council. A National Advisory Group was created to provide insights and guidance from a national perspective. Prospective boards for benchmarking were surveyed and eight were ultimately selected for site visits, based on a variety of factors that would allow the visitation teams to see how critical success factors could play out across different environments and different board structures.

The resulting critical success factors and indicators outlined in this report are not intended to be the definitive characterization of great boards, but we think there is strong case to be made based on what was observed. We anticipate and

encourage a lively dialogue. These success factors are proposed to provide a framework for discussion and to put the first stake in the ground. The self-assessment tool and graphic hierarchies of WIB playing levels are intended to outline the possibilities and encourage boards to re-imagine themselves and their role. It should be noted that there is no perfect board; not even the great boards in the study would be excellent on every factor, and they have not resolved every workforce problem in their communities – but they are making a difference and they are continually striving for excellence.

## ***Final Critical Success Factors: Measuring Success***



### **MEASURES SUCCESS OF THE BOARD**

Indicators to Consider:

- ⚡ Assesses board impact.
- ⚡ Evaluates plan progress and outcomes.
- ⚡ Measures the board's growth.
- ⚡ Assesses relevance of the board to key individuals and groups in the community.
- ⚡ Assesses relevance of the board to the members.



### **MEASURES SUCCESS OF THE DELIVERY SYSTEM**

Indicators to Consider:

- ⚡ Sets standards for the one-stop delivery system that "raise the bar."
- ⚡ Establishes measures beyond individual programs, beyond federal requirements.



### **MEASURES COMMUNITY AND ECONOMIC GROWTH**

Indicators to Consider:

- ⚡ Assesses factors of community success that are greater than the board's span of control.

# Managing the Work of the Board

**CRITICAL**  
Success  
Factor

**4**

## **MANAGES THE BOARD AS A BUSINESS**

Indicators to Consider:

- ✦ Incorporates.
- ✦ Develops its own budget.
- ✦ Invests in research and development.
- ✦ Plans for growth.
- ✦ Markets to the right audiences.

**CRITICAL**  
Success  
Factor

**5**

## **TAKES RESPONSIBILITY FOR ITS OWN MEMBERSHIP**

Indicators to Consider:

- ✦ Connects membership to strategic objectives.
- ✦ Recruits the right level of people on the board.
- ✦ Practices good “on-boarding.”
- ✦ Takes ownership of the nomination process.

**CRITICAL**  
Success  
Factor

**6**

## **STRUCTURES THE BOARD AND COMMITTEES TO BE EFFECTIVE, EFFICIENT, AND STRATEGIC**

Indicators to Consider:

- ✦ Uses consent agenda.
- ✦ Develops the agenda around strategic goals.
- ✦ Connects committees and task forces to strategic goals and board work.
- ✦ Minimizes standing committees in favor of task forces.
- ✦ Involves non-board members in the work of committees and task forces.
- ✦ Uses strong, empowered committee structure.

**CRITICAL**  
Success  
Factor

**7**

## **HIRES AND GROWS THE RIGHT STAFF**

Indicators to Consider:

- ✦ Hires a great exec. director and gives that person autonomy to act.
- ✦ Develops a sustainable culture.
- ✦ Defines staff positions and hiring qualifications consistent with strategic objectives and the work of the board.
- ✦ Provides compensation to attract and retain the best staff.
- ✦ Develops all staff.
- ✦ Invests in high quality employees.
- ✦ Has *enough* staff to be able to take advantage of opportunities.



## MAINTAINS A CLEAR FOCUS ON BOARD LEVEL WORK

Indicators to Consider:

- ⚡ Builds a clear firewall between board work and operations.
- ⚡ Develops policy at the 40,000 foot level.

## Working Strategically



### DATA DRIVEN

Indicators to Consider:

- ⚡ Collects data and turns it into workforce intelligence.
- ⚡ Uses data to demonstrate success, or lead to new action.



### SECTOR/BUSINESS DRIVEN

Indicators to Consider:

- ⚡ Uses a sector-based approach.
- ⚡ Develops an organized process for working with business and industry.
- ⚡ Establishes sector/business expectations for the one-stop system.



### PLANS STRATEGICALLY

Indicators to Consider:

- ⚡ Spends time and resources on planning.
- ⚡ Involves non-board members in the process.
- ⚡ Engages local elected officials.
- ⚡ Links to/aligns with other strategic plans.
- ⚡ Plans regionally.
- ⚡ Holds high expectations for staff in the process.



### FOCUSES ON THE "BIG ISSUES"

Indicators to Consider:

- ⚡ Looks beyond traditional workforce development issues.
- ⚡ Looks beyond programs and "eligibles."
- ⚡ Addresses root causes and ultimate fixes, not band-aids.



## **URNS PLANS INTO ACTION**

Indicators to Consider:

- ⚡ Builds alliances and coalitions.
- ⚡ Demonstrates action.

# **Developing & Managing Financial Resources**



## **EXERCISES FIDUCIARY STEWARDSHIP**

Indicators to Consider:

- ⚡ Evaluates effectiveness of investments.
- ⚡ Oversees integrity of funds.



## **GROWS THE BUSINESS**

Indicators to Consider:

- ⚡ Develops a plan to generate and diversify resources.
- ⚡ Leverages funds.



## **BUDGETS STRATEGICALLY**

Indicators to Consider:

- ⚡ Allocates resources consistent with strategic objectives.
- ⚡ Budgets for opportunity.

## Key Learnings

- 1. It's about relationships, connections, and communications.** Great boards are in constant communication, internally and externally. Great boards focus on developing relationships, not garnering authority. They use these relationships to fill important community roles.
- 2. Great boards define their role broadly.** The role of the board as outlined in the Act is narrow, and may be seen by traditional boards as the full scope of their responsibilities, but progressive boards define their role much more broadly: Workforce Intelligence Provider; Convener of “Bigger Tables” for Strategic Planning; Campaign Manager for Community Workforce Issues; Quality Assurance Agent for Public Funds; and Resource Development and Venture Capitalist.
- 3. Great boards don't just think regionally, they act regionally.** Good boards don't consider their geopolitical lines to be boundaries. They coordinate with other boards, even across state lines, in order to meet the needs of the labor market.
- 4. The Executive Director is a critical position.** He or she is a relationship builder. The board members describe him or her as visionary, strategic, the guardian of the vision and mission.
- 5. Both good staff and good members are critical.** Boards will only be as good as the staff they hire. Staff cannot be as effective without the connections of the board, and the “street relevance” that members bring to the table.
- 6. Board membership and its staff collectively comprise “the board.”** Board members view staff as part of them; it's how the work gets done. Members and staff work together in partnership, but know each others' roles.
- 7. States can encourage or discourage high performance WIBs.**

# Introduction

## Overview

**M**ost federal and state attention on quality in workforce development has been directed toward quality in the one-stop centers. From mystery shopping to chartering, benchmarking to balanced scorecards, the assumption has been that quality in workforce development is defined at the street level.

The delivery system, however, operates on a “retail” basis. Success comes in small quantities, one job order, one trainee, one placement, one employer at a time. Impact at the community or “wholesale” level is not likely to come about from one-stops that come into contact with only a small percentage of workers and employers. Wholesale impact must come from strong local vision and leadership. Workforce investment boards (WIBs) can, should, and do play leadership roles such as community convener, information broker of value-added workforce intelligence, connector to strategic relationships and alliances, and workforce intermediary. The best boards play those roles extremely well. [We believe all boards can learn from the leading edge practices employed by the boards benchmarked in this study.](#) The study provides an opportunity to examine the exemplary practices of workforce industry leaders who provide standards to which all boards may aspire. We believe there is tremendous opportunity to increase the impact of boards, leverage more resources for workforce development, and increase the potential for at-risk communities to regain their competitive advantage.

The Act, while being somewhat prescriptive about membership composition and a list of operational duties, is sufficiently flexible to allow boards to become whatever they want to become. The best boards have taken advantage of that flexibility to be creative, entrepreneurial, and risk takers on behalf of their communities.

In many areas, the leading edge WIBs have taken on the role of workforce intermediaries as described in the book “Workforce Intermediaries for the Twenty-First Century,” edited by Robert Giloth. While workforce intermediaries are formed to focus on one issue – career advancement for low-skilled workers in targeted industry sectors – there is much similarity between what the best workforce intermediaries are doing and what the best WIBs are doing. They are forming strong partnerships of employers, public and private funding streams, and other partners that collaborate on key issues.

Missouri DWD, as the funder of this project, wants to see the WIBs in its state become the conveners and the local leaders in their communities on workforce

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issues. To that end, Missouri invested in this project with the expectation that there can be solid development and growth within its WIBs and that other WIBs across the country can benefit from the lessons learned during the benchmarking study.

The Corporation for a Skilled Workforce (CSW) believes that the WIB concept is important and supportable in communities, and that the bar can be raised:

- ❖ **Great WIBs have an impact on their communities.** Good boards are players in the community and they have significant positive impact on workforce issues. They have a value that extends beyond their authorization under WIA that justifies their existence over and above a single funding stream.
- ❖ **There is a set of “critical success factors” and indicators that characterizes the best boards.** These success factors can be applied to self assessment and improvement efforts at the state and local levels.

Up to this point, no one has attempted to establish “critical success factors” for workforce investment boards. A few states have developed incentive models that describe expectations for high performing WIBs. Two early initiatives explored a higher level of workforce board certification using Baldrige as a framework. By outlining the criteria needed for certification, the two initiatives started to get at success factors for boards, but in both cases the criteria were determined by means of group consensus rather than by field work.

The Workforce Excellence Network (WEN) developed a short-lived award in the early days of WIA. The application criteria were generally applicable to all levels and types of organizations engaged in workforce development, but leaned toward operational organizations. It was because of the operational emphasis that many high quality boards did not see any reason to apply.

The Commonwealth of Virginia developed criteria for continuous improvement in 2000 based on exemplary performance, local coordination, and regional cooperation. The competitive process included meeting negotiated WIA performance standards and having an executed MOU in addition to demonstrating action in some or all of a menu of activities such as completing a community audit, identifying career ladders, developing a strategic plan, and adopting a sectoral strategy.

Pennsylvania is aggressively promoting a strategic role for WIBs. The Commonwealth assembled a committee of WIB directors to work with state staff to develop high performance standards. In 2005 the commonwealth issued the standards to serve as a guide and motivator. Financial incentives are available for those determined as high performing boards. Non-performing WIBs will receive technical assistance towards improvement. The standards are based on exemplary practices identified around the state. Included with each standard is a series of questions addressing necessary measures of success. The standards address labor

market analysis; investment of resources to promote skills and career ladders in priority occupations; organization of industry partnerships; alignment of resources in a strategic direction; development of an integrated business services plan; quality one-stops; career education information; and sound fiscal practices.

Other states have taken similar approaches to describing desired characteristics of high quality local boards, but none have approached it as a benchmarking process.

## *Purpose*

**T**he Missouri Division of Workforce Development, under the leadership of Rod Nunn, elected to go about the process of establishing high expectations for local boards in a more deliberate, research-based manner than consensus around best practices. Nunn had been the Executive Deputy Director for the Illinois Department of Employment Security at the time the Department funded a one-stop benchmarking project, sponsored by four local boards in Illinois and facilitated by CSW. This work proved to be a foundational contribution to the body of knowledge used by workforce professionals nationally to improve one-stop operations. As Division Director in Missouri, Nunn received the support of four local boards to pursue a similar effort to identify critical success factors for workforce investment boards. The goals of the project were to:

- ❖ Identify critical success factors for local workforce investment boards;
- ❖ Produce a benchmarking guide that can be used in Missouri as a basis to provide technical assistance and frame policy;
- ❖ “Raise the bar” for workforce board success beyond meeting negotiated program performance standards; and
- ❖ Contribute to the national dialogue regarding the value of workforce boards.

## *Methodology*

**T**he project was divided into three phases over a period of ten months.

### **PHASE 1: PLANNING**

The planning phase included:

- ❖ **Establishing a Steering Committee.** A small steering committee was established to guide the project. The committee was comprised of members and staff from the four sponsoring boards, as well as staff from the Division of Workforce Development and Missouri Training and Employment Council. Scott Cheney of the National Association of Workforce Boards also

participated in Steering Committee meetings in an advisory capacity, contributing his knowledge of benchmarking from prior work with the American Society for Training and Development.

- ❖ **Establishing a National Advisory Group.** The National Advisory Group consisted of representatives from an array of organizations that have a stake in board quality and a high level of knowledge about actual practice around the country. The group members represented the National Governors Association, National Association of Workforce Boards, National Workforce Association, National Association of State Workforce Agencies, and others identified in the Acknowledgements. The Advisory group provided valuable insights about potential success factors and what the tour groups should look for on-site.
- ❖ **Developing an organizing framework.** Organizing frameworks for WIB incentive systems past and present have included compliance (membership composition, clean audits, meeting WIA performance standards) and Baldrige (Leadership, Strategic Planning, Customer Focus, Information and Analysis, Process Management, Measurable Results, Human Resources), and various mixtures of strategic and compliance considerations.

The Steering Committee agreed upon the following framework:

- √ **Measuring success**
- √ **Managing the Work of the Board**
- √ **Strategic Orientation**
- √ **Board Structure**

The National Advisory Group recommended consideration of another category: **Financial Resources.**

- ❖ **Drafting anticipated critical success factors.** With input from the National Advisory Group, the Steering Committee deliberated anticipated success factors to guide the site reviews:

<b>Measuring Success</b>	<p>Measures success of the system, not just WIA.</p> <p>Establishes standards for one-stop centers and affiliates.</p> <p>Measures return on investment for use of public funds.</p> <p>Defines and measures success for the <i>board</i>, separate from the delivery system.</p>
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<b>Managing the Work of the Board</b>	<p>Develops membership recruitment, retention, and participation strategies that are connected to strategic objectives.</p> <p>Establishes annual work plans and goals for each committee.</p> <p>Achieves high levels of meeting participation through interactive and relevant agendas.</p> <p>Makes resource allocations consistent with strategic objectives.</p> <p>Has a board business plan separate from the one-stop business plan.</p>
<b>Strategic Orientation</b>	<p>Conducts regular analyses of the labor market and uses that information to develop strategic objectives.</p> <p>Focuses on “big issues.”</p> <p>Builds alliances and coalitions to work on those issues.</p> <p>Aligns goals and resources in the region around the issues.</p> <p>Engages and coordinates with economic development organizations.</p> <p>Engages local elected officials.</p> <p>Reports regularly to the community about progress on strategic objectives.</p>
<b>Board Structure</b>	<p>Connects committee work to the strategic objectives.</p> <p>Uses a strong committee approach to getting work done.</p> <p>Staffs the board in a way that ensures unbiased system oversight and is adequate to achieve the board’s objectives.</p>
<b>Financial Resources</b>	<p>Diversifies public and private resources for workforce development</p> <p>Exercises fiduciary stewardship on behalf of the community</p> <p>Has a reputation as an honest broker</p> <p>Develops resources in an economically stimulating sense.</p>

- ❖ **Developing a site protocol and guiding questions.** The guiding questions are included in an appendix to this report. The questions were indeed “guiding” rather than a formula since a response to one question could lead to a more in-depth discussion and additional questions that had not been anticipated beforehand.
- ❖ **Selecting sites.** A prospective list of target sites for site visits was developed from a combination of CSW’s experience in working with boards around the country; the Steering Committee members’ insights from conference attendance, best practice websites, and other sources; and input from the National Advisory Group about boards they had seen or heard about. The Steering Committee was interested in ensuring that the boards selected represented a variety of sizes and structures, including those that have the fiscal agent function and those that do not; those that have single county

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jurisdictions and those that have multi-county jurisdictions; and boards that operate under a restrictive state environment and those that do not. The Steering Committee was particularly interested in ensuring that the majority of sites visited represented rural areas, to demonstrate that it is possible to operate at a high level despite having fewer financial and community resources with which to work than urban areas are presumed to have.

An additional factor that came into play for final selection was some degree of geographic clustering. Since only eight sites could be visited, it was decided that no more than two sites should come from the same state, yet to conserve time and costs the group wanted to be able to cluster the sites into readily managed groupings that would allow us to tour more than one site at a time in consecutive days in the field.

A total of 31 boards were identified as prospects for site visits. Of those, one did not feel his board was appropriate for the study, and some never responded to phone messages that were left asking them if they would be willing to participate. Others agreed on the phone to participate and complete a self-assessment, but either failed to do so timely, or never completed the self-assessment at all. The Steering Committee rightly determined that unresponsive boards should automatically be excluded from consideration as “exemplary.”

There is no perfect board, and the sites visited did not rate themselves highly on every category in the self-assessment which affects the averages in the survey summary. The Steering Committee was looking for a combination of boards that were generally good overall, and were outstanding in one or more categories to better understand that particular critical success factor.

## **PHASE 2: FIELD RESEARCH**

Phase II activities included:

- ❖ **Collecting background information and a self-assessment for each board.** Of the original 31 prospective boards, 18 completed a basic background survey and separate self-assessment. The background survey allowed the Steering Committee to ensure visits were made to the variety of board types and structures that were sought. The self-assessment ensured a visit to one or more boards that assessed themselves as “outstanding – a model for others” in one or more categories of the framework. The results of the two surveys may be found in an appendix to this report.
- ❖ **Conducting Site Visits.** For consistency and to help draw conclusions across all the sites, at least one of the two CSW facilitators participated in all eight of the site visits, as did two of the sponsoring board representatives and one of the state agency representatives on the Steering Committee. Site visit teams



averaged eight participants. At each site, the morning was spent talking in-depth with the board staff. A working lunch was then held with board members and other community leaders without any staff being present to confirm the strength and meaningful involvement of the board membership versus strong staff, and to determine how non-board leaders in the community view the work of the board. The team met alone at the end of each visit to debrief on what was learned.

The report does not identify which site yielded which findings, because the focus of the report is on practices *across* sites, rather than best practices within. When examples of practice are given, the boards are identified by a letter of the alphabet (e.g., Board X), and the letter may refer to a different board each time it is used. Additionally, the Steering Committee wished to follow the Benchmarking Code of Conduct espoused by the American Productivity and Quality Center, which precludes identifying specific benchmarking partners by name in association with specific practices.

### **PHASE 3: ANALYSIS AND CONSENSUS**

The final phase of the project resulted in this report. Activities included:

- ❖ **Analysis and consensus on the findings.** The CSW facilitators met two more times with the Steering Committee. The first was to go over the results and agree on the final list of critical success factors. The second meeting was to present the final document; discuss how to take the report forward; agree on the content of a presentation about the findings to be made at the upcoming Governor’s Conference, and propose the implications for practice in Missouri.
- ❖ **Review of the draft report by the visitation sites.** Although the benchmarking partners are not mentioned by name, they were able to recognize themselves in examples. By reviewing the draft, they could correct any misperceptions or inaccuracies about their choices and practices.
- ❖ **Review of the draft by the National Advisory Group.** Between the final two meetings of the Steering Committee, CSW sent a draft of the report to the National Advisory Group and facilitated a conference call to gather their insights prior to finalization.
- ❖ **Dissemination of the findings.** The findings were first presented at the Governor’s Workforce Development Conference in October, 2006, to stakeholders from around Missouri. National venues will be sought for future dissemination. Copies of the report will be available electronically on the websites of the Missouri Division of Workforce Development, Missouri Training and Employment Council, and Corporation for a Skilled Workforce.

# The Critical Success Factors

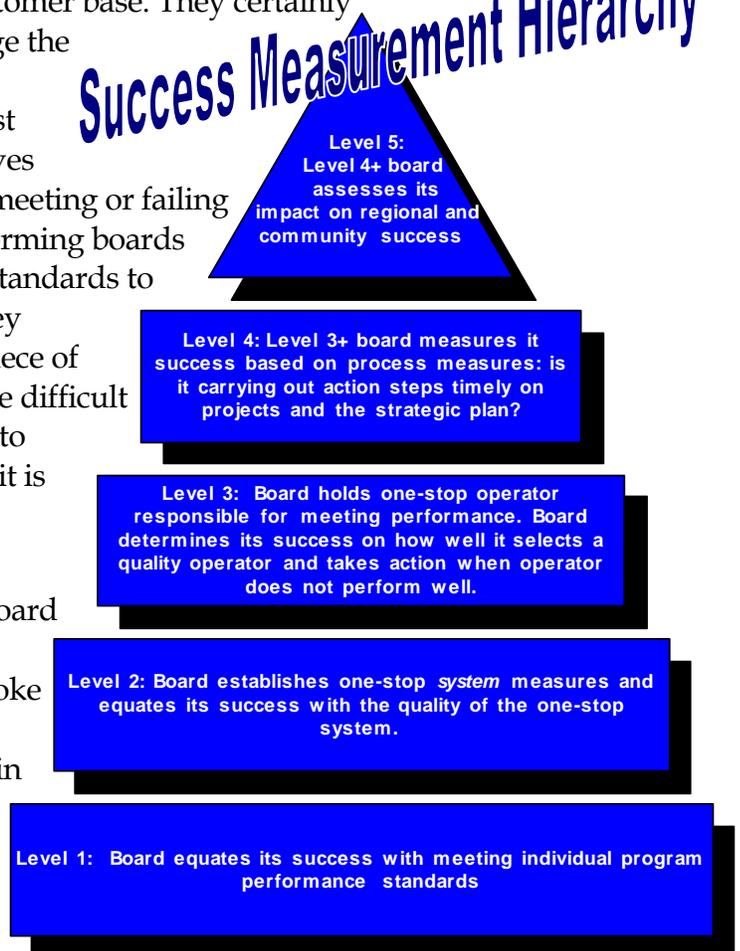
## Measuring Success

Community leaders and most knowledgeable people in workforce development don't believe the quality of a one-stop can be assessed on whether it meets federal performance standards for one or two funding streams that serve a small minority of the potential customer base. They certainly wouldn't use those measures to judge the success of a Workforce Investment Board, yet, under the Act and in most state policies, whether a board receives incentives or is sanctioned rides on meeting or failing to meet those standards. High performing boards acknowledge the connection of the standards to resources (incentive awards), but they consider them to be just one small piece of their overall success. It is much more difficult to measure community impact than to measure program performance, but it is vitally important.

Much of the board's impact is not quantifiable, and for the most part board members are comfortable with that. Several members with whom we spoke said they "know" the board is successful; they see and feel change in the community. They see action being taken. They hear positive comments from others in the region. "Members are proud to be on the board," said one member. "That's why they accept, stay on it, and work hard. It is well run and does visible work." Another said, "I know we are having an impact on the health care pipeline ... it is early yet, but we can see it in policy, advocacy, number of students in community college programs, and new health care bridge programs."

In the monograph *Good to Great in the Social Sectors*,<sup>1</sup> author Jim Collins says that in the social sector, performance should be assessed relative to mission. The

### Success Measurement Hierarchy



<sup>1</sup> *Good to Great in the Social Sectors*; Jim Collins; 2005

critical question is “How effectively do we deliver on our mission and make a distinctive impact, relative to our resources?” Collins advises that organizations hold themselves accountable for progress in outputs “*even if those outputs defy measurement...* It doesn’t really matter whether you can quantify your results. What matters is that you rigorously assemble *evidence* – quantitative and qualitative – to track your progress.” For WIBs, the WIA program measures are one piece of evidence, but they are far from being the only evidence of success.

There is a hierarchy of measuring board success. Many state incentive policies drive boards to the lowest level, but some states are driving boards to new levels of strategic thinking and acting. Some local boards have held themselves to the highest level of accountability regardless of state policy. The boards that responded to the self-assessment were consistent with the hierarchy depicted on the preceding page. While 95% assessed themselves as good to outstanding on meeting WIA performance standards, only 65% assessed themselves as good to outstanding in defining and measuring community/regional success.

#### Among the boards visited:

- Board W believes that success is *execution* of the strategic plan. Staff establish success indicators and outcomes for every initiative in the board’s plan. The performance review committee, which is always chaired by the vice chair of the board, is critical since it determines whether the board is on track with its plan. The board looks for whether the needs of the region are being met and numbers really don’t tell them that. “The common measures aren’t what companies are looking for. We are looking for change and alignment. For example, vocational education has realigned its curriculum around our industry clusters and high demand occupation list.”
- Board X uses no metrics. The WIB has micro and macro *indicators*. At the micro level, the board is achieving project-specific outcomes. At the macro level, the community has “more people working and in control of their careers.” Attendance at meetings indicates if the board is important to members. Whether the board’s issues are on the mayor’s agenda when he talks about his vision, and whether the board has a presence on the chamber of commerce’s agenda indicates if they are relevant to the community.
- Board Y attributes today’s poverty rate to their early efforts in welfare-to-work even before all the statutory changes. The poverty rate is directly measurable, even if their direct connection to lowering the rate is not. They know they are being successful when they see trends and act fast, early, and creatively. They work on long-term wins. Because of their data and insights into adult education, the legislature just appointed a blue ribbon commission that may result in changes to adult education policy. The board’s major success factor, however, is their value-add; whether they are growing the business and building the system, directly measured by the significant amount of resources they attract. The board has raised over \$25 million in funds outside of formula dollars.
- Board Z developed a “family of system measures” which quantifies the results desired by the board’s strategic plan. Contractors are not held to the categorical program measures because the board felt that trying to meet the federal standards was actually a barrier to providing good service. Staff are now focused on getting customers what they want and need. The leap of faith is that by meeting the needs of customers, the performance standards will be met. Board Z also publishes an annual Workforce Report Card adapted from CSW’s Comparative Workforce Indicators© as a measure of progress in the economy in the areas of industries and employers; labor force and knowledge jobs; market alignment; education; income, wealth, and poverty; and places to be. The board’s strategic plan goals are geared to making progress on the Report Card.

**CRITICAL  
Success  
Factor**  
**1**

## MEASURES SUCCESS OF THE BOARD

Indicators to Consider:

- ⚡ **Assesses board impact.** Evaluating progress on a strategic plan only reveals whether actions took place. Achieving outcomes for individual initiatives may only be playing at the margins of an issue. The board looks beyond numbers and individual initiatives to determine whether the collective result is *impact*. Are systems being changed? Is the community closer to its vision? Are issues being resolved? Would change have happened without the board's intervention?
- ⚡ **Evaluates plan progress and outcomes.** The strategic plan is more than just a document on the shelf; it defines the board's agenda and the committee work. The board regularly examines its progress in implementing the strategic plan. It establishes indicators and outcomes for individual initiatives and assesses whether those outcomes were met.
- ⚡ **Measures the board's growth.** The board is leveraging additional resources. It is growing its strategic agenda and taking on new initiatives.
- ⚡ **Assesses relevance of the board to key individuals and groups in the community.** The board considers whether workforce development is part of the community dialogue. Has it raised awareness of core community issues? Are others in the community talking about those issues? Do other entities (schools, elected officials, industry groups, the media) come to the board because of its known expertise, insights, and reputation for getting things done on those issues? When the board is relevant – working on “the right stuff” – other entities take ownership of the board's goals by incorporating them within their own strategic plans or by aligning their activities with the board's. Other organizations seek to invest their resources in the board's initiatives because they know it will be money well spent.
- ⚡ **Assesses relevance of the board to the members.** The board uses attendance at board and committee meetings, active participation, and member feedback to determine whether the board members consider their engagement to be of value.

**CRITICAL  
Success  
Factor**  
**2**

## MEASURES SUCCESS OF THE DELIVERY SYSTEM

Indicators to Consider:

- ⚡ **Sets standards for the one-stop delivery system that “raise the bar.”** The board uses chartering practices, contract requirements, memorandum of understanding negotiations, and other tools to increase the quality and relevance of the delivery system. The board re-charters centers on a periodic basis, and raises the bar for charter status each time. One-stop performance is a given; everyone concurs that program accountability is not an indicator of

innovation, but the absence of it prevents a board from pursuing excellence. Program accountability is a foundation that must exist before a board can focus strategically.

- ✦ **Establishes measures beyond individual programs, beyond federal requirements.** The board establishes measures for the system that are important to the community, particularly the employer community. The measures are connected to the board's strategic agenda. The measures apply across programs to determine the collective performance of the one-stop system.



## MEASURES COMMUNITY AND ECONOMIC GROWTH

Indicators to Consider:

- ✦ **Assesses factors of community success that are greater than the board's span of control.** The board measures the health of the community on workforce factors, regardless of whether the board can directly "control" the outcome; for example, secondary school dropout rates, postsecondary retention, per capita income. The measures are used to raise awareness of others. The board uses its influence to move the community toward solutions, and evaluates its success in doing so. Community report cards or other types of reports are repeated regularly to assess whether the community is becoming more competitive or falling behind, and the board evaluates how it influenced the results.

## *Managing the Work of the Board*

**B**oard structure had originally been proposed as a separate category in the benchmarking framework, but it became apparent during the site visits that structuring the board is part of managing the work of the board.

An important feature of the boards reviewed was that not only were they business-driven, they were business-like. They are incorporated. They know their customers and their services and products (and their customer and services/products are NOT the same as the one-stop's). They are vision/mission/goal focused. They hire the right people, have high expectations, and give staff the autonomy to act. They take risks. They innovate. They watch for trends. They place a high value on action. Board meetings are not about socializing and eating, they are about getting work done. In recognition of members' busy lives, full board meetings are generally infrequent (quarterly), relatively short, and to the point. They use a consent agenda to move quickly and allow the board to focus on strategic issues and on-going board development. Much of the agenda comes from the committee work, which in turn is comes from the strategic plan.

The boards visited use an approach similar to (but not exactly like) the Carver policy governance model: Carver says "Board meetings are not for reviewing

the past, being entertained by staff, helping staff to do its work, or performing ritual approvals of staff plans. As a result, many board meetings may not look like traditional board meetings at all, but learning and studying sessions or joint meetings with other boards.”<sup>2</sup>

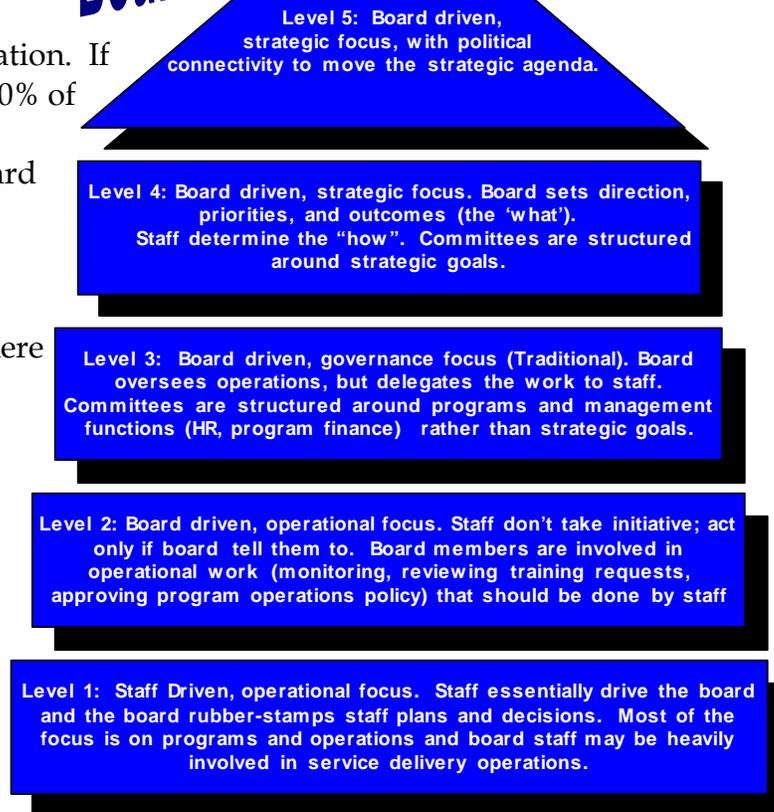
While staff do the work between meetings, members do the work *at* meetings. Board meetings are dominated by member discussion, not staff presentation. If staff are talking more than 50% of the time during board and committee meetings, the board members are not being used appropriately.

Mel D. Gill of Synergy Associates postulates that there are nine different types of boards:<sup>3</sup>

1. Operational
2. Collective
3. Management
4. Constituent  
Representational
5. Traditional
6. Results-Based
7. Policy Governance
8. Fundraising
9. Advisory

The boards in our study most closely resembled Policy Governance, where “The board governs through policies that establish organizational aims (‘ends’)... The CEO has broad freedom to determine the ‘means’ that will be implemented to achieve organizational aims. The board does not use committees but may use task teams to assist it in specific aspects of its work.” The WIBs reviewed did indeed have committees, but they leaned more toward fewer committees and greater use of task forces. Some committees were created to handle internal governance of the board (e.g., by-laws, nominations). All of the task forces and many of the committees were strategic in nature rather operational/ management. Gill contends that traditional boards lack a clear delineation between governance and management roles. “Committee structures (finance, HR, programs, PR, etc.) that

## Board Management Hierarchy



<sup>2</sup> Carver’s Policy Governance Model in Nonprofit Organizations; John Carver and Miriam Carver; posted at [www.carvergovernance.com](http://www.carvergovernance.com)

<sup>3</sup> Quick Overview of Governance Models/Board Types; Mel Gill, Synergy Associates, 2002, 2004

parallel management and operational functions invite board intrusion into operational detail. Meeting agendas typically mimic this structure. The absence of a clear focus on results impairs board ability to ‘add value’ to the organizational purpose and account meaningfully to stakeholders.”<sup>4</sup>

The committees and task forces are where the real work gets done. Twenty percent of the boards completing the self-assessment indicated that they have strong, empowered committees that make their own decisions regarding action and resources, and another 40% said they have strong committees that make recommendations to an executive committee, which is empowered to act and approve resources. Only one board reported that all decisions regarding action and resources are deliberated and approved by the full board. Most of the boards we reviewed allowed only private sector members to be committee chairs.

A strong executive committee is used by the high performing boards to keep operational issues off the table. In Region R, the executive committee approves the WIB budget; the full board only approves the overall budget breakdown for WIB work versus service delivery work. In Region M, the executive committee can bind the board and make all financial decisions. In Region N, the executive committee reviews all financials prior to board meetings so the full board doesn’t have to. The full WIB sees a two-page budget once a year. In Region P, the executive committee has voting authority so one-stop matters rarely come before the board.

**Another way boards keep operational issues off the table and maintain themselves at 40,000 feet is not to be in operations at all.** They maintain a clear firewall between board work and operations, which both allows them to remain strategically focused as well as supporting their “honest broker” reputation. The board in Region Z doesn’t concern itself with categorical programs; “That’s a staff thing,” they said. Another remarked that they spend little time on one-stop issues; “You hire an organization that can *deliver*, so the board spends about 5% of its time on one-stop and program issues, and the other 95% on its vision.”

Only two of the 18 boards responding to the background survey used the same entity to staff the board as to staff the one-stop operator. In one of those cases, the situation is temporary. The board received a waiver to act as the one-stop operator to address some quality issues that were not being resolved by other means. Another board received a waiver just for youth services to ensure continuity for youth as a customer base. A few of the boards include the fiscal agent role in the firewall, believing that distributing the money is an operational function that distracts them from strategic work.

**Boards will not be great without great staff.** The best WIBs seek staff with business competencies, including but not limited to the executive director position. One of the most important functions of staff is communication, both with the board members themselves and with the community. A community leader who is *not* a board member told the study team, “X spends all day on the phone. I get called all the time! He asks questions and pumps people up. People buy in! It makes

<sup>4</sup> *Governance Models: What’s Right for Your Organization?*; Mel Gill, Synergy Associates; 2001

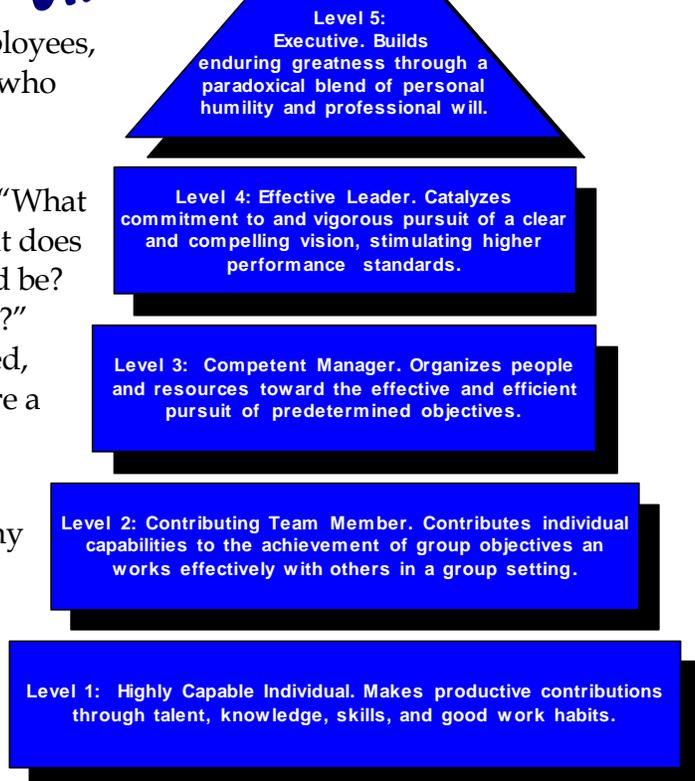
everybody feel like they are a key component. He honors all contributions.” Communications are key because so much of the work is based on relationships. Both staff and board members repeatedly told us that at the level at which their boards are functioning, nothing gets done without listening, building relationships, making connections, and gaining consensus.

Board members and community leaders commented repeatedly about the high quality of their employees, particularly the executive director who establishes the culture and acts as guardian of the vision. A board chairperson at one site was asked, “What advice would you give a board that does not feel it is as successful as it could be? What is the first step it should take?” The chair-person quickly responded, “Fire the executive director and hire a new one!”

In *Good to Great and the Social Sectors*, Collins outlines a hierarchy of leadership.<sup>5</sup> The boards we visited had directors at levels 4 and 5 (see graphic).

Staff members told us they walk a fine line between leading the board and being led by the board. Neither end of the continuum is desirable; it is a constant tightrope act. While staff may bring drafts to the board so it doesn’t have to start from a blank slate, board members do not perceive themselves as being led. “I do not see staff trying to influence us. They give us data, we make decisions. They give clear, clean information. This is different from other boards I serve on.” In another region a board member said, “We are a governing board, not the do-ers. The board can utilize its influence; staff are the subject matter experts. A circle of influence is brought by the members. We bring the business perspective and the language. The staff director is effective in going to board members who can do certain things, know certain people. She picks the right people to exert the right influence.” In another region: “Staff are facilitators to the board’s growth. How do you grow and stimulate the board? You make it interesting. You don’t immerse them in details. Board members are engaged for their brains. Staff create opportunities for them to be meaningful.”

## Staff Leadership Hierarchy



Source: *Good to Great in the Social Sectors*; Jim Collins; 2005

<sup>5</sup> *Good to Great in the Social Sectors*; Jim Collins; 2005

Great boards need more than great staff, however. They also need great board members. The site visit team was impressed with the level of passion and knowledge expressed by the board members. They were on top of the strategic issues. They were committed to their communities and believed their work on the board was vital to community success. They understand their role and value versus the staff's role. The board chairs were particularly strong, taking responsibility for keeping board meetings tight and on track, for ensuring that most of talking was done by members instead of staff, and for developing the capabilities of the staff director as an executive. Business representatives on several of the boards visited were strictly CEO level, as outlined in their by-laws. "More people come to the table due to our CEO level presence," said one. "Who is on the board is a drawing card for others to serve," said another.

**The board members of excellent WIBs see recruitment of appropriate members as part of their responsibility**, and, thanks to excellent relationships that have been aggressively developed by staff with nominating organizations and appointing authorities, the best boards are essentially in control of their own membership. Care is taken to develop new members so they understand what the board is about and what their role is. Board member orientations for several of the boards steer away from programs. The focus is on economic and workforce issues, the board's organization, and the strategic plan.

Members of great boards see themselves as advocates for workforce issues --not advocates of programs. In Region N, board members regularly talk at Rotary meetings and in other venues about the regional Report Card and what it implies. In Region O, a board member said "Our elevator speech is, 'the purpose of the WIB is advocacy.' It's critical that we understand the economy and direction it's going. We bring all constituencies to bear on working on issues."

#### Among the boards visited:

- Board D essentially "fired" its board and started over when the leadership recognized that they did not have the "right people on the bus." Members were asked to resign; because the situation was handled delicately and had the support of elected officials, few feathers were ruffled. The board now ensures that each of its private sector members represents one of the targeted industries for the region.
- In Region Q, current board members make the first call to prospective members; if they get interest, the executive director follows-up with an additional contact. If the executive director gets continued interest, she takes the individual's biography to the executive committee. If the executive committee concurs that the individual is appropriate, the recommendation is forwarded to the Chief Elected Official for approval.
- Region C works hard at getting the right people on the board. They discuss what kind of talents and connections they need. The executive director talks to the business council president every couple of weeks to maintain a relationship of trust so that when the board identifies a person with the attributes they need, the council will make the nomination. The executive director makes the first contact with the prospect to make sure he or she is willing to be in campaign

mode for the message. The person is only forwarded for nomination if he/she can support the message.

- Board H has five key industry sectors; recruitment is targeted to those industries and the leaders in them who can make a difference. They only allow CEO, CFO, or COOs on the board, and they must be from organizations with at least 5 employees.
- Board I has seven priority industry clusters, and each cluster has at least two representatives on the board.
- In Region L, board meeting facilities are equipped with speaker phones so members can participate without having to be physically present, which greatly increases attendance.
- Board Z is divided up into small groups of 5-6 members. Every staff person is assigned one of these small groups. Two or three times a year, they just meet for lunch and talk. The small groups are good for bonding and keeping people engaged, and are particularly important for helping new members feel a part of the organization. The small group format also helps board members connect with staff other than the executive director, so members feel comfortable calling upon other staff.
- Several of the boards say board members identify the ‘what’ while staff identify the ‘how.’ There is no micromanagement; board members trust staff to do the work, and staff say “the board has our backs.” Staff are the subject matter experts and board members are the eyes and ears of industry and the community that bring issues and trends to the table. “Board members focus on information gathering and opening doors. Their role is knowledge and connections. Staff do the work.”
- Consistent with operating at the 40,000 foot level, Board H sets parameters, not particulars. For example, an ad hoc committee of the board was formed to set broad parameters for fee-for-service, which was essentially, “you can’t be in competition, you can only use up to 50% of the unrestricted funds to seed new ventures, and you must establish an oversight committee to review all planned fee-for service.” That was the sum total of their involvement and policy development for fee-for-service. The oversight committee is comprised of staff. The board does not get involved with approving individual initiatives and trusts the staff oversight committee to ensure projects are within the parameters. (There is one board member on the committee who represents a staffing firm because of competition complaints that arose in the past).
- Board F only has two standing committees: public investments (to look at leveraging funds system wide to work on goals) and one-stop oversight (to ensure larger initiatives get “drilled down” and delivered through the one-stops). The board heavily uses task forces for other work.



## MANAGES THE BOARD AS A BUSINESS

Indicators to Consider:

- ✦ **Incorporates.** Incorporation opens the doors for receiving monies that are only awarded to incorporated entities. An incorporated body can be fast, flexible, and able to reinvent itself in a way city and county government entities cannot. An independent incorporation status can help the board to be seen by others as a neutral convener, contractor, and evaluator, rather than attached to some funding source or partner entity.
- ✦ **Develops its own budget.\*** The board has a budget for its own work, regardless of whether it is the designated fiscal agent. The budget is more than just the salaries and benefits of board staff; it accounts for all the board's business, including facilities, office supplies, consulting contracts, and so forth. Dollars for service delivery is a line item; it should be clear what percentage of the total resources available is for the board and its work, and what percentage is for services. \*
- ✦ **Invests in research and development.** Like any good business, the board ensures it can engage in developing the future, not just maintaining status quo operations in the face of a changing world. The board's budget includes funds for innovation; seed money to create new initiatives and push the envelope, which may need to be contracted separately from an existing contractor that is focused on today's need to meet federal performance measures. The board needs its own seed money to develop new products that are needed in the community or to generate new resources. The fund can serve as the venture capital funds that the board needs to be a player at other tables.
- ✦ **Plans for growth.** In a time of diminishing federal resources, some of the best boards are adding staff. They expect and plan for growing the business. They develop strategies to meet growth goals. They are entrepreneurial. They leverage resources. They take risks.
- ✦ **Markets to the right audience.** Businesses market their services and products, and they do it in a targeted way, so that they reach the right audience. Great boards also target their audiences. The job seeker in the street does not need to know who the board is, but economic development organizations do. The board knows where it needs to be visible, it knows its message, and it knows what its value-add is separate from the service delivery work.

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\* Note: The board develops its own budget regardless of whether or not it is the fiscal agent. Actually being the fiscal agent was not found to be a critical success factor. Some boards had cogent reasons for accepting that role, and others had equally cogent reasons for refusing the role. Their decision was not related to their effectiveness.

\* Note: the percentage itself is not relevant, since it depends on a variety of factors, including whether the board is the fiscal agent or not, its planned research agenda, the number of staff it needs to move the strategic goals, etc.

**CRITICAL  
Success  
Factor**  
**5**

## **TAKES RESPONSIBILITY FOR ITS OWN MEMBERSHIP**

Indicators to Consider:

- ⚡ **Connects membership to strategic objectives.** Members are recruited for their knowledge, connections, and ability to open the right to move the strategic agenda. The board looks to the strategic goals to determine what kind of knowledge and connections it needs, identifies people who can fulfill those needs, and actively recruits them. Targeted industries or clusters are represented among the board's private sector members.
- ⚡ **Recruits the right level of people on the board.** Great boards pursue CEO level membership. Prominent CEOs lend credibility to the board and attract other CEOs. CEOs command and commit resources, influence others to action, and open more doors. CEOs are more likely to be attuned to macro trends and to "think big." CEOs can set direction; managerial level employers, such as human resources managers, are more likely to be involved at the committee level to fulfill the direction established by the board.
- ⚡ **Practices good "on-boarding."** The purpose of membership and the role of the board is not a mystery to new members of good boards. Orientation is early, planned, and thoughtful. Orientation revolves around the organization and work of the board, community and economic trends, and strategic issues, not programs, government acronyms, eligibility requirements, figuring federal performance standards, and other minutia. Existing members participate in recruiting and/or orienting new members.
- ⚡ **Takes ownership of the nomination process.** Great boards are not passive recipients of appointments. They work continuously on developing relationships and trust with chambers of commerce and other nominating bodies and with their local elected officials who make the appointments. There is an on-going educational process regarding the issues, the strategic goals, their membership needs, and why they need specific individuals to work on those goals, so there is no contention about the board's recommendations for members. But because the board has engaged the nominating bodies and elected officials in understanding their needs, it is not a rubber-stamp process, either.

**CRITICAL  
Success  
Factor**  
**6**

## **STRUCTURES THE BOARD AND COMMITTEES TO BE EFFECTIVE, EFFICIENT, AND STRATEGIC**

Indicators to Consider:

- ⚡ **Uses a consent agenda.** Full board meetings are relatively short. Time is spent on member interaction, board education and development, and strategic plan progress. Deliberations are handled at the committee level. Committees are trusted and empowered to address and resolve issues with which they are charged. Sufficient information has been provided in advance of meetings to

enable members to act on a consent agenda, or register a concern that may throw the issue back to committee prior the full board meeting. By the time a decision point reaches the full board, it has been “vetted” by the executive committee and can be collectively approved with all other decision items in one vote.

- ✦ **Develops the agenda around strategic goals.** The strategic goals drive what appears on the agenda. Every meeting is an opportunity to learn more about the issues behind the goals, assess progress, and make mid-course corrections as needed.
- ✦ **Connects committees and task forces to strategic goals and board work.** Committees do not simply replicate operational functions (finance, marketing, etc.) that bog the members down in operational detail. That’s why the board hires competent staff. There may be one committee that has oversight for all operational functions, but the emphasis for committee assignments is either board governance (e.g., board development committee), or strategic goals (e.g., community involvement committee). *Every* strategic goal is assigned to either a committee or task force, and work that does not support at least one strategic goal is no longer done. Not all committees have to exist forever. The board re-examines its committee needs on a regular basis.
- ✦ **Minimizes standing committees in favor of task forces.** Good boards are minimizing standing committees and using more issue-based, initiative-based, or sector-based task forces (e.g., a task force to research and address the issue of the aging workforce).
- ✦ **Involves non-board members in the work of committees and task forces.** Boards cannot operate in a vacuum. They cannot plan in isolation, implement solutions with only their own resources, or change systems alone. The best boards bring in additional expertise at the committee and task force working-level. They seek buy-in and the ability to leverage more resources. They involve key leaders on a time-limited basis who may not be able to make a commitment to full board membership. They identify and groom future board members through committee and task force involvement.
- ✦ **Uses a strong, empowered committee structure.** Committees each receive a charge and the latitude and authority to work the charge. Decisions are essentially made by the committees. The number of decisions that come before the full board are few, and are either for formal ratification for some compliance purpose, or because the committee has determined that full board input and discussion is important to the decision at-hand.



## **HIRES AND GROWS THE RIGHT STAFF**

Indicators to Consider:

- ✦ **Hires a great executive director and gives that person autonomy to act.** The executive director is an undeniably key position and good boards take



care to select the right person. The right person has strong business competencies, takes initiative, and develops relationships throughout the community (see Key Learnings in the Conclusion section for a description of executive director characteristics and duties).

- ✦ **Develops a sustainable culture.** In a small organization, identifying and developing staff people to replace key positions may not be practical or even desirable. Good boards concentrate on developing a sustainable culture of innovation and growth, and then find the right people to fit into that culture when a position becomes vacant. Relationship building is shared among several staff, so that relationships do not disappear with the loss of one individual.
- ✦ **Defines staff positions and hiring qualifications consistent with strategic objectives and the work of the board.** Boards that seek to grow the business and diversity resources employ a grant writer. Boards with sector approaches employ individuals with a background in that sector. Staff with sales, marketing, and business backgrounds are sought to lead initiatives.
- ✦ **Develops all staff.** Good board members see part of their role as helping to develop staff as executives. They also want many staff to be known and have credibility, not just the executive director, because that expands the opportunities for connections. Staff serve on other boards in the community. They all attend conferences and events, make additional connections, and develop relationships. Staff are encouraged or required to seek credentials.
- ✦ **Invests in high quality employees.** You get what you pay for. The good boards, functioning like a business, understand there is competition for the highest quality executives, and they are ready to make the investment needed to accomplish their work at the highest level.
- ✦ **Has enough staff to be able to take advantage of opportunities.** A board that employs minimal staff will accomplish minimal work. Good boards understand that staff must be out in the community to make connections. There is sufficient staff to participate on other community boards and taskforces. Committees are all staffed by high level employees. There are sufficient staff to explore innovations, develop grants, and seize opportunities when they arise. The executive director has the time to be out in the community and think and act strategically, because operational issues are handled by others.



## **MAINTAINS A CLEAR FOCUS ON BOARD LEVEL WORK**

Indicators to Consider:

- ✦ **Builds a clear firewall between board work and operations.** It is easier for staff and the board to stay at the strategic level when the board staff are not also supervising operations. Regardless of the definition of “firewall,” both staff and the board clearly understand the difference between board work, staff work, and one-stop program work. One-stop oversight and program

issues are contained at the committee level and are not addressed by the full board except on the consent agenda, or on an exception basis. Staff have the autonomy to address program issues, and are expected to identify risks and resolve performance failure.

- ✦ **Develops policy at the 40,000 foot level.** Staff develops operational policy; the board members do not. The board provides direction and establishes strategic goals, delivery standards, and outcome expectations. The board determines “what” and the staff determine “how.”

## Working Strategically

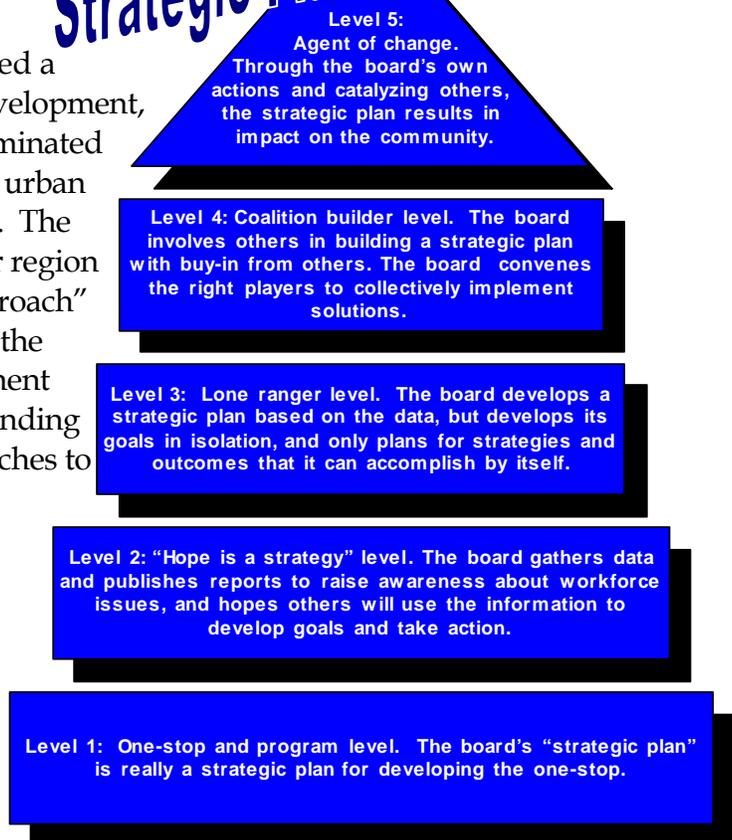
**W**orking strategically is the most important characteristic of great workforce boards. It is the very reason for their existence. Like the Workforce Intermediaries that some of them are, progressive WIBs “entrepreneurially enact workforce development rather than simply ‘meeting the market’ or conforming to a publicly mandated set of roles and responsibilities.”<sup>6</sup>

All the boards visited have adopted a sectoral approach to workforce development, including boards in rural areas dominated by small employers, and boards in urban areas with rich industrial diversity. The excuse some boards have that “our region doesn’t lend itself to a sectoral approach” simply falls flat. Eighty percent of the boards completing the self-assessment rated themselves as good or outstanding in developing sector-based approaches to workforce development, and 85% assessed themselves as good to outstanding in having measurable impact on key industry sectors.

**Being strategic starts with having the facts.** Ninety-five percent rated themselves good to outstanding on conducting research, and 85% have

conducted a labor market analysis that resulted in a public report (e.g., State of the Workforce Report, skills gap analysis, or other study). Importantly, the boards involved non-board members in developing their reports and/or mounted community engagement campaigns to take the report out into the

### Strategic Planning Hierarchy



<sup>6</sup> *Workforce Intermediaries for the Twenty-First Century;* Robert P. Giloth, editor; 2004

community to seek reactions and input into priorities suggested by the data. State of the Workforce or other reports don't simply sit on the shelf. The information is used to plan and catalyze action. Data collection and analysis is not a one-shot effort, conducted only because a board received a one-time technical assistance grant or responded to a one-time state mandate. The best boards repeat data assessment on a regular basis to document trends and progress toward the regional vision, such as one region's annual workforce indicators Report Card, and another region's annual follow-up survey on the employment and higher education status of public education graduates.

There is a hierarchy of strategic planning as well, and our study boards again fall into tiers 4 and 5. The boards we reviewed were thinking big: big beyond their geopolitical borders; big beyond low income job seekers; big beyond just skills, education, and job placement. They work with other workforce areas, even across state lines, when the labor market that is important to their industries and economic developers doesn't align with the WIB region. They are tackling issues that are not typically considered "workforce" issues. Several are addressing housing. The availability of affordable housing, appropriate housing, and sufficient housing impact employers' ability to recruit and retain a workforce. If housing is important to industry, then it's important to the board. However, the boards are focused and careful about what they take on. For example, illegal immigration is a hot topic in one region, but the board determined it is a "no-win" situation, and thus not appropriate.

**Linkages with employers and economic development are carefully cultivated by the best boards.** One of the ways they gain credibility with industry sectors is by hiring someone with private sector history who can speak the language, understands the industry and its trends, and can open doors that might otherwise be closed to the board. Time is spent in relationship development. Staff connect often with employers and economic development entities and *listen* to the needs. They aren't there to market one-stops or collect job orders. When it comes time to create consortia to work on industry issues, it is easier to get employers to the table because of the relationships that have been built.

The planning processes used by boards were described more than once as "very organic, not chicken and egg." There is not a sequential process such as the board developing its plan and then aligning it with the economic developers or vice versa. There is not a sequence of staff collecting data, a community engagement period, board members having a planning retreat, board members setting goals, staff developing strategies, and the plan being implemented. Staff are in constant communication with board members and other leading community organizations throughout the year, sharing information, having conversations about issues, and discussing priorities. Board members come to strategic planning sessions already knowledgeable about the issues and in agreement about priorities. Alignment of goals with others in the community comes about not because two plans were compared side-by-side looking for alignment, but because they were evolving in tandem as a result of communications, relationships, and mutual "buy-in" that was

developing over time. As one board member said, “relationships provide the structure within which to work to achieve the vision.”

**Finally, high performing boards do more than plan; they also *act*.** WIB members and community leaders from the various visitation sites said, “We are the entity that makes it work for the community.” “The board gets down to business and gets it done.” “The board’s track record is a huge selling point for economic development.” “The board is known as ‘the place that gets things done.’ You have to earn respect by accomplishments. Do what you say you will do – and think in grand terms!” “We create and fund innovative programs. We can support ‘cool stuff.’ People come to us now because they know we are a creative group.”

#### Among the boards visited:

- Board S used information gleaned from its data collection and analysis to transform the one-stop to provide services for the underemployed. Marketing was targeted to low-wage workers and partners were brought in who could provide work supports for the underemployed. Since the 2003 report, the board has raised nearly \$700,000 to provide services, retraining, and career ladder initiatives for low-wage workers.
- Board Y places high value on the planning process and spends months on it. Consultants are brought in to help with data and identifying economic trends. Focus groups and meetings with chambers, businesses, and others are used to gather views as well as educate and get buy-in to the board’s values. At the beginning of the year, the board identifies the big strategic needs and sets specific targets for staff. The big 6 are selected at the beginning of the year and are discussed every two weeks at the senior staff meeting. Staff are responsible for how the targets are met. They develop the strategies and the action plans to fulfill the board’s vision.
- Board Z views their relationship with business to be a two-way street. “Business tends to see workforce issues differently from us; we need to get in sync, and raise the visibility of dropouts, immigrants, and others. Business has a short-term vision; ‘I need workers *now*.’ We help businesses see the other side of the economy and its impact on the whole economy. We need to design interventions to address system failure and stop generational poverty.”
- In Region Q, the president of the economic development organization said they did their strategic planning process three years ago. They convened community leaders and established seven strategies. The WIB was already doing work in the strategy areas, and rather than let egos get in the way, the board allowed economic development to absorb what they were doing and the board became part of the larger whole. “It’s not a workforce system, economic development system, or education system. It’s a total ‘innovation system;’ everyone is doing what they do best to make the area special.” The economic development organizations attribute the collective community vision and tone of collaboration to the people-skills of the WIB executive director.
- Board G convened local economic developers several years ago to share information, encourage joint marketing, and develop a sense of “region.” In the late 1990’s, the board led development of a CEDS plan to get the area designated as an economic development district. To this day, the board staff organization continues to staff the local economic developers’ joint efforts, and it has proven sufficiently valuable that the LEDOs now pay them for the staffing services. The region is implementing a tool for collecting and analyzing data from employers; the

LEDOs selected the tool and paid for it, but the board organization holds the license. The board has access to all the regional data as a neutral convener, but the LEDOs only have access to their own data.

- Board S put together a coalition across a three-state area to implement a veterans workforce program. The executive director negotiated support by demonstrating that the approach would be beneficial to the clients by helping them gain regional exposure to employers, and beneficial to the system by saving \$70,000 a year on administration as a result of having just one delivery system.
- Board T received state money for regional planning to identify skill gaps, but felt its economy had more in common with the area on the other side of the state line than any adjacent area in its own state. The board developed a relationship with the WIB in the neighboring state. They engaged in bi-state regional data gathering to identify emerging and declining industries and jobs, supply chains, industry clusters, and labor sheds. The case for regionalism was readily apparent because of the WIB's labor shed data. The boards are planning to continue their quarterly meetings even after the project is done. Regionalism is good for advocacy, they claim, such as getting a highway improved across the state line.
- Board U noted that there was a nursing shortage and that employers were stealing workers from each. Their recruitment practices alleviated their own pain in the short term, but did nothing to relieve the overall shortage for the long term. The board contracted with a retired executive from the health care industry to engage health care employers and gather data confidentially about their shortages and hiring practices – information they would never reveal in a room with each other. The board assembled the input into an analysis that could be taken back to the employers to demonstrate to them exactly what was happening in the labor market. The data inspired them to come together into a coalition led by the board that resulted in innovative public/private solutions to address the root causes of the shortage. The same board is now engaging the energy industry, again using a coordinator hired from the sector. The industry leaders want the board to work on developing the sector's workforce in other select states (not contiguous to the region), because doing so impacts the industry at home. The board did not say "we don't work in other states;" rather, they responded to meet the industry's request. The board's industry liaisons work for the board, not the contracted employer services provider. The liaisons are not there to take job orders or sell a specific service menu. Their job is to listen and problem solve.
- Board J is developing industry consortia for each of their targeted sectors. Each consortium is staffed by a contracted project manager who comes from the sector. Time is spent visiting companies, doing research, and building trust. The project manager recruits the initial members, and their logos – not the board's – appear on letterhead used to recruit new members. The WIB staff and education representatives do not participate in the meetings; the consortia are meant to be the voice of industry. Each consortium is allowed to be different, based on the industry's needs, rather than conform to some formula. One consortium is aligning around a media campaign; another around joint training needs. The staff ask the consortia members how *they* want to measure success. Some companies don't want a heavy evaluation component. One industry needed workers in a particular occupation that wasn't being taught by the local community colleges. The board brought in a vendor from another state to train both workers and instructors, with the goal being that the community college will eventually take it over.

**CRITICAL**  
Success  
Factor  
**9**

## DATA DRIVEN

Indicators to Consider:

- ✦ **Collects data and turns it into workforce intelligence.** Whether through staff or through consultants, the board collects secondary data about the region and validates and supplements it with primary data. More than just a collection of facts, the data is analyzed and use to tell a compelling story about the area's strengths, challenges, and opportunities. The board engages others in the analysis so there is community consensus on what the data means and the issues it implies for action. The board uses the data to determine its strategic goals.
- ✦ **Uses data to demonstrate success, or lead to new action.** State of the Workforce Reports, Industry Reports, and issue studies are not done as one-time publications. They are repeated to demonstrate progress and identify new threats. Data provides feedback about whether the board and others it engages are having impact. It helps the board determine whether different strategies are needed.

**CRITICAL**  
Success  
Factor  
**10**

## SECTOR/BUSINESS DRIVEN

Indicators to Consider:

- ✦ **Uses a sector-based approach.** A sector-based approach identifies the key industry sectors that show high potential for economic growth and then identifies needs and strategies for each of the sectors. The sector approach helps the board target its limited time and resources most effectively, increases the likelihood of the board having a demonstrable impact on the economy, and helps the board be seen as relevant.
- ✦ **Develops an organized process for working with business and industry.** The board does not attempt to address all targeted sectors all at once. Sectors are prioritized. There is a timeframe for when additional sectors will be added. The board hires or contracts with people with a background in each sector to manage the process. The process is planned, but is flexible to allow for differences in sector needs and how the businesses want to work together.
- ✦ **Establishes sector/business expectations for the one-stop system.** The board's work with businesses is clearly defined and separate from the one-stop's work with businesses. However, they are aligned. The board utilizes tools at its disposal to ensure the one-stop delivery system aligns with the targeted sectors: approval of eligible training providers, approval of occupations for Individual Training Accounts; board/one-stop operator agreement; and chartering criteria. The board ensures a focus on the business customer through one-stop business planning requirements, investments in business services staff, and one-stop staff development.

## PLANS STRATEGICALLY

Indicators to Consider:

- ✦ **Spends time and resources on planning.** Great boards do not have a two-day retreat and walk away with a finished plan. The planning process may take months. Significant time is spent educating board members throughout the year on the issues that will be relevant to the plan. Time is spent gathering the data and developing the region's story. Time is spent engaging the community in hearing and reacting to the data and the story. Consultants are used to bring a fresh, outside perspective to the planning process, provide insights into national trends, and share best practices from around the country.
- ✦ **Involves non-board members in the process.** The board does not develop strategic plans in isolation. The broader community is involved, not only at the data level, but also at the goal and strategy level. Non-board members contribute additional expertise, new ideas, buy-in, community commitment, and resources.
- ✦ **Engages local elected officials.** Board staff and members communicate regularly with local elected officials to keep them educated about workforce issues, how the board is impacting those issues, what support is needed from them, and what influence and characteristics are required for board appointments. Keeping elected officials engaged increases the likelihood they will advocate when needed on the board's behalf. Boards are deliberate about how and when they engage elected officials. "Big 'P'" politics can be a problem (but small 'p' politics are essential!).
- ✦ **Links to/aligns with other strategic plans.** Because of the broad-based, inclusive planning process, the board's strategic plan is aligned with other entities' plans. Plans in the community may be developed almost simultaneously and align naturally because of community engagement, and staff and board member participation on other boards and committees.
- ✦ **Plans regionally.** Good boards plan around labor markets, not within geopolitical boundaries. Commuting patterns and other data are used to determine the geographic region for planning purposes. Relationships are built with other workforce boards to develop plans that truly reflect the region as the business world and economic development see it.
- ✦ **Holds high expectations for staff in the planning process.** Staff are key to the process, not simply facilitators or note takers. The board hires them for their expertise, strategic thinking, and relationship building skills. Great staff research and describe trends, outline potential issues, identify opportunities, "connect the dots" for board members, draw in others from the community, and draft goals and plans. Board members analyze, reflect, add insights, open doors to new connections and relationships, prioritize, and set direction. Staff develop the tactics around the goals for committee review, and are responsible for actual implementation.

**CRITICAL  
Success  
Factor  
12**

## FOCUSES ON THE “BIG ISSUES”

Indicators to Consider:

- ⚡ **Looks beyond traditional workforce development issues.** The board does not just concern itself with employment rates and wages. There are many other issues in the community that impact the region’s economic health, including housing, transportation, and health insurance. The board looks broadly at the region’s needs, raises awareness, and convenes stakeholders to work on those issues.
- ⚡ **Looks beyond programs and “eligibles.”** The board is concerned with the whole workforce and the pipeline of future workers, not just system users. The board’s goals and initiatives may address incumbent workers, white collar professionals, elementary school students, *all* youth, and entrepreneurs.
- ⚡ **Addresses root causes and ultimate fixes, not band-aids.** Programs are essentially band aids that address an immediate need, one person at a time. The board determines the root causes behind the needs, and develops solutions to address the underlying problem.

**CRITICAL  
Success  
Factor  
13**

## URNS PLANS INTO ACTION

Indicators to Consider:

- ⚡ **Builds alliances and coalitions.** The board does not attempt to be the sole solution, nor even the authority that directs others. Relationships are developed to build coalitions of other groups to take ownership of an issue. Alliances of employers are built to address common skill needs. The board acts in a convening and catalyst role to get the ball rolling, but then lets the alliance or coalition lead the solutions.
- ⚡ **Demonstrates action.** The board does what it says it will do and acquires a reputation for being the “go to” organization. The strategic plan is more than just a plan; it’s a blueprint for action.

# Developing & Managing Financial Resources

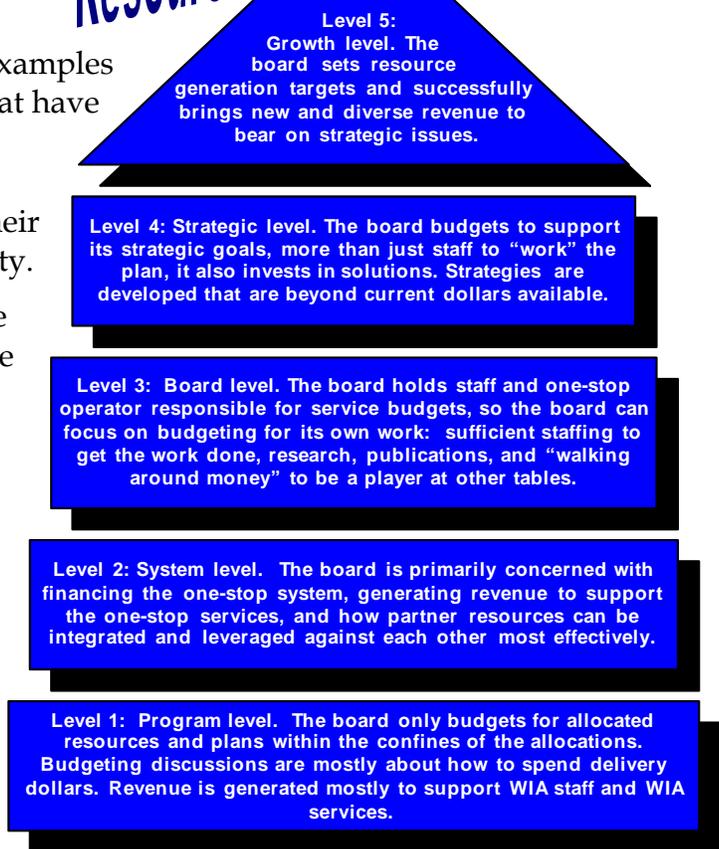
The financial resources section of the self-assessment produced some of the lowest appraisals, reflecting the difficulty boards have had in this arena, although for the best boards, their difficulty lies in generating resources, not in managing formula allocations of WIA money. The boards in the study take their fiduciary responsibility seriously. Just as meeting one-stop performance standards is a foundation before going on to strategic work, ensuring sound fiscal systems is a foundation before doing strategic budgeting and generating additional revenue. Examples from the corporate community that have been too frequently in the news demonstrate what happens when the people at the helm abdicate their responsibility for financial integrity.

The surveyed boards use multiple methods to determine whether the board is a good steward of the resources. They don't just look at whether they had any disallowed costs. They also evaluate whether the board is using its resources efficiently and effectively. Methods of evaluation include:

- ❖ Return on investment analyses;
- ❖ Regular review of the budget to look for connection to strategies and outputs;
- ❖ Establishing a minimum percentage of the budget that must go to direct client services;
- ❖ Assessments of community impact;
- ❖ Setting a low limit on overhead;
- ❖ Analysis of the degree to which funds are leveraged and generated.

The best boards use an array of these methods, not just one.

## Resource Management Hierarchy



The boards' major challenge lies in diversifying and adding new resources for the board's work and the system in face of declining allocations. Only half of the survey respondents indicated they were good or outstanding in each of: revenue generation for service delivery; revenue generation for the board's work; and sustainability planning in the event of loss of WIA resources. However, there are a few who are truly outstanding at generating and leveraging dollars. The steering committee was impressed by the entrepreneurial spirit demonstrated by the boards.

Dependence on WIA to support the board's work ranged from 20% to 100% among the survey respondents. Some boards have less dependence because of state policies that drive non-WIA funds to the local boards, including state incumbent worker dollars, TANF and Child Care. **Some boards are generating resources from a wide variety of sources that they pursue aggressively.** Sources include both public dollars (e.g., Small Business Administration, U.S.DOL competitive grants, and contributions from local elected officials) as well as private funds (e.g., foundation money and fee-based services). They have varying levels of success, but a key behavior is that they plan for resource generation. They set targets and develop strategies to generate resources, and the plan is tied to funding strategic objectives. High performing boards don't generate money just to be generating money. They generate with a purpose in mind. Funders will fund specific initiatives; they will not provide funding so the board can "have flexible money" or "pay for staff." **High performing boards invest in their revenue generation strategies,** such as by hiring a grant writer. Rather than planning within an allocation, they develop their strategic goals and then find the resources to fulfill it.

**High performing boards develop their budgets around their strategic objectives.** One board includes as a measure of success whether it committed dollars to the strategic objectives to set an initiative in motion. "The hardest thing is to pull the trigger and operationalize the plan." If they aren't funding what is in the plan, then they don't feel they are truly committed to the success of the plan.

#### Among the boards visited:

- Since 2002, Board D has brought in \$14 million compared to \$45 million in WIA formula funds over the same period. Sources include Microsoft, Verizon, and a flat-out \$250,000 no-strings contribution from elected officials.
- Board S is pursuing a three-tiered plan for WIA-free sustainability. The first and largest tier is memberships, sponsorships, industries, and city/county government. The second tier is grants and foundations. The third tier is fee-for-service, consulting, and events.
- Board Z has a fee-for-services unit. One service of the unit is providing technical assistance to not-for-profits to help them develop and advance. This initiative, which began in 2004, has generated nearly \$400,000 in revenue and provided services to over 50 organizations across ten states. The board also developed a scholarship program and solicited money from companies, raising \$4 million. About 1600 people would have been on the waiting list for training last year, but as result of the scholarship money, they could be placed in training. The board has started a brand new endowment program, initiated by a \$100,000 donation. Rather than simply spend the

gift, the WIB finance committee invested it to make \$4,000-\$5,000 per year in no-strings money. The plan is to grow the endowment, and keep it separate from the scholarships which all get spent. Companies are asked to donate money only for specific objectives, such as a mobile van. Staff research companies before the executive director approaches them, so he knows what is important to that company. In total, the board has raised over \$25 million in funds. Non-federal dollars comprise a full third of the total budget. WIA is less than half the budget.

- Board T simply “asked.” The board received a \$200,000 regional planning grant and asked chambers of commerce, economic developers, and others to contribute cash toward supplementing the grant. Because of the WIB’s credibility in the community, it raised \$28,000. The same board writes grants for other organizations; the board may not receive the money, but if the recipient is using the funds to further the board’s goals, then it is time well spent.
- Board Y is collaboratively funding a grant writer with Junior Achievement and a county leadership organization that will serve all three organizations. The board also sets an annual goal for OPM – other peoples’ money. No Individual Training Account (ITA) is funded solely by WIA. The unit’s OPM goal for last year was 20%, and they succeeded in generating 56%. Most of the ITA OPM comes from private sector matching money. Consistent with the strategic direction established by the board, the unit budgets 20% of the ITA money for the unemployed, 40% for under-employed, and 40% for employed workers. The board has also developed a tangible product which it is marketing for sale to other boards around the country. The board encourages everyone in the system to think creatively. With a small pot of flexible monies, a fee-for-service oversight committee entertains ideas for resource generation that can be submitted by anyone in the system. An application form requires the submitter to explain the business proposition. Any revenue in excess of costs goes back into the flexible fund to help it grow. The benefit to the proposing entity is that when the fund is solid enough, they will be able to claim 50% of the revenue to use in their own organization.
- Board Q is establishing a culture of leveraging and aligning resources. TANF and school district funds were leveraged using WIA as the carrot to fund a summer jobs program. The foundation community is now investing in their youth initiatives. The board attracts money because investors know the WIB will leverage their investments into something greater.



## EXERCISES FIDUCIARY STEWARDSHIP

Indicators to Consider:

- ✦ **Evaluates effectiveness of investments.** Meeting performance standards does not necessarily mean funds were invested effectively. A good board seeks indicators of return on investment. It examines impact, dollars leveraged, and the degree to which investments successfully moved the board forward on its strategic objectives.
- ✦ **Oversees integrity of funds.** The board uses a third party for internal fiscal review and auditing to identify problems and potential problems before external (state and federal) monitoring is done by. External auditors are asked to report to the *board*, not to just the staff. Questionable conflicts of interest

that may be *perceived* as a problem are not rationalized, but remedied. Fund oversight is confined to a committee rather than addressed by the full board to help the board stay at the strategic level, but the committee has members with strong fiscal skills (e.g., bankers, CPAs) who take integrity seriously.

**CRITICAL**  
Success  
Factor  
**15**

## GROWS THE BUSINESS

Indicators to Consider:

- ✦ **Develops a plan to generate and diversify resources.** The board does not look solely at federal and state dollars as sources of revenue. The board has a *plan* to diversify resources, and “works the plan.” The plan includes foundations grants, private contributions, fee-for-service, and public, non-governmental resources. The board sets diversification goals, measures progress, and devises new strategies if goals aren’t being met.
- ✦ **Leverages funds.** The board uses money to leverage more money rather than trying to fund everything in services or projects by itself. The board looks for opportunities to share costs with others. The board sets goals for leveraging funds and measures its progress.

**CRITICAL**  
Success  
Factor  
**16**

## BUDGETS STRATEGICALLY

Indicators to Consider:

- ✦ **Allocates resources consistent with strategic objectives.** The board invests in its goals. There is a clear link between the budget and the strategic plan.
- ✦ **Budgets for opportunity.** Good boards give themselves venture capital, or R&D (research and development) money. They don’t budget everything out in services. Having funds to support others’ initiatives gives them a seat at tables to which they may not otherwise have access. They have money readily available to leverage more money when an opportunity presents itself. They can hire consultants and develop new products as needed without having to wait for a new funding cycle.

# Final Critical Success Factors

## *Measuring Success*



### **MEASURES SUCCESS OF THE BOARD**

Indicators to Consider:

- ⚡ Assesses board impact.
- ⚡ Evaluates plan progress and outcomes.
- ⚡ Measures the board's growth.
- ⚡ Assesses relevance of the board to key individuals and groups in the community.
- ⚡ Assesses relevance of the board to the members.



### **MEASURES SUCCESS OF THE DELIVERY SYSTEM**

Indicators to Consider:

- ⚡ Sets standards for the one-stop delivery system that "raise the bar."
- ⚡ Establishes measures beyond individual programs, beyond federal requirements.



### **MEASURES COMMUNITY AND ECONOMIC GROWTH**

Indicators to Consider:

- ⚡ Assesses factors of community success that are greater than the board's span of control.

# *Managing the Work of the Board*

**CRITICAL  
Success  
Factor**

**4**

## **MANAGES THE BOARD AS A BUSINESS**

Indicators to Consider:

- ✦ Incorporates.
- ✦ Develops its own budget.
- ✦ Invests in research and development.

**CRITICAL  
Success  
Factor**

**5**

## **TAKES RESPONSIBILITY FOR ITS OWN MEMBERSHIP**

Indicators to Consider:

- ✦ Connects membership to strategic objectives.
- ✦ Recruits the right level of people on the board.
- ✦ Practices good “on-boarding.”
- ✦ Takes ownership of the nomination process.

**CRITICAL  
Success  
Factor**

**6**

## **STRUCTURES THE BOARD AND COMMITTEES TO BE EFFECTIVE, EFFICIENT, AND STRATEGIC**

Indicators to Consider:

- ✦ Uses consent agenda.
- ✦ Develops the agenda around strategic goals.
- ✦ Connects committees and task forces to strategic goals and board work.
- ✦ Minimizes standing committees in favor of task forces.
- ✦ Involves non-board members in the work of committees and task forces.
- ✦ Uses strong, empowered committee structure.

**CRITICAL  
Success  
Factor**  
**7**

## **HIRES AND GROWS THE RIGHT STAFF**

Indicators to Consider:

- ✦ Hires a great executive director and gives that person autonomy to act.
- ✦ Develops a sustainable culture.
- ✦ Defines staff positions and hiring qualifications consistent with strategic objectives and the work of the board.
- ✦ Provides compensation to attract and retain the best staff.
- ✦ Develops all staff.
- ✦ Invests in high quality employees.
- ✦ Has *enough* staff to be able to take advantage of opportunities.
- ✦ Plans for growth.
- ✦ Markets to the right audiences.

**CRITICAL  
Success  
Factor**  
**8**

## **MAINTAINS A CLEAR FOCUS ON BOARD LEVEL WORK**

Indicators to Consider:

- ✦ Builds a clear firewall between board work and operations.
- ✦ Develops policy at the 40,000 foot level.

## ***Working Strategically***

**CRITICAL  
Success  
Factor**  
**9**

### **DATA DRIVEN**

Indicators to Consider:

- ✦ Collects data and turns it into workforce intelligence.
- ✦ Uses data to demonstrate success, or lead to new action.

**CRITICAL  
Success  
Factor**  
**10**

### **SECTOR/BUSINESS DRIVEN**

Indicators to Consider:

- ✦ Uses a sector-based approach.
- ✦ Develops an organized process for working with business and industry.
- ✦ Establishes sector/business expectations for the one-stop system.

**CRITICAL  
Success  
Factor**  
**11**

## PLANS STRATEGICALLY

Indicators to Consider:

- ⚡ Spends time and resources on planning.
- ⚡ Involves non-board members in the process.
- ⚡ Engages local elected officials.
- ⚡ Links to/aligns with other strategic plans.
- ⚡ Plans regionally.
- ⚡ Holds high expectations for staff in the process.

**CRITICAL  
Success  
Factor**  
**12**

## FOCUSES ON THE “BIG ISSUES”

Indicators to Consider:

- ⚡ Looks beyond traditional workforce development issues.
- ⚡ Looks beyond programs and “eligibles.”
- ⚡ Addresses root causes and ultimate fixes, not band-aids.

**CRITICAL  
Success  
Factor**  
**13**

## URNS PLANS INTO ACTION

Indicators to Consider:

- ⚡ Builds alliances and coalitions.
- ⚡ Demonstrates action.

# *Developing & Managing Financial Resources*

**CRITICAL  
Success  
Factor  
14**

## **EXERCISES FIDUCIARY STEWARDSHIP**

Indicators to Consider:

- ⚡ Evaluates effectiveness of investments.
- ⚡ Oversees integrity of funds.

**CRITICAL  
Success  
Factor  
15**

## **GROWS THE BUSINESS**

Indicators to Consider:

- ⚡ Develops a plan to generate and diversify resources.
- ⚡ Leverages funds.

**CRITICAL  
Success  
Factor  
16**

## **BUDGETS STRATEGICALLY**

Indicators to Consider:

- ⚡ Allocates resources consistent with strategic objectives.
- ⚡ Budgets for opportunity.

# Conclusion

## *Key Learnings*

- 1. It's about relationships, connections, and communications.** Community impact doesn't result from programs. System change doesn't come about because of programs. Meeting program performance measures doesn't equate to meeting industry needs or improving the economy. The law does not structure WIBs to be "great," only "in compliance." Great boards are in constant communication, internally and externally. Great boards focus on developing relationships, not garnering authority. They use these relationships to fill important community roles (see below).
- 2. Great boards define their role broadly.** The role of the board as outlined in the Act is narrow, and may be seen by traditional boards as the full scope of their responsibilities:
  - Create a local workforce services plan for submission to the Governor.
  - Create a written agreement with local career center service partners.
  - Certify each career center in the area and select the one-stop operator.
  - Create a Youth Council for recommendations on youth programs and activities.
  - Select service providers.
  - Develop a list of eligible training providers (eligible for receipt of WIA training funds).
  - Reach agreement with local elected officials and the Governor on WIA performance standards.
  - Develop a budget for the board's work and submit it to local elected officials for approval.
  - Coordinate local workforce development activity with local economic development.
  - Conduct oversight of one-stop programs.

Role	Work
<b>Workforce Intelligence Provider</b>	<ul style="list-style-type: none"> <li>➤ State of the Workforce reports</li> <li>➤ Cluster-specific workforce reports (e.g., health care)</li> <li>➤ Industry summits to both collect and distribute information</li> <li>➤ Comparative community workforce indicators</li> <li>➤ Public attitude surveys</li> </ul>
<b>Convener of “Bigger Tables” for Strategic Planning</b>	<ul style="list-style-type: none"> <li>➤ Information products used as a convening device</li> <li>➤ Industry-specific summits</li> <li>➤ Industry cluster tables for planning, analysis, action strategies, and pilot programs</li> <li>➤ Issue-based task forces with broad range of talent beyond WIB membership</li> <li>➤ Servant leadership to community planning strategies led by others</li> <li>➤ Convener of multi-WIB, regional planning initiatives within a labor market</li> </ul>
<b>Campaign Manager for Community Workforce Issues</b>	<ul style="list-style-type: none"> <li>➤ Community awareness campaigns to change attitudes about an issue, such as access to higher education, skills required to be work ready, quality of life in the region, etc.</li> <li>➤ Advocacy for a target industry or population (e.g., older workers)</li> <li>➤ Advocacy for changes in laws and regulations that impact workforce development, quantity, and quality (not limited to just WIA)</li> </ul>
<b>Quality Assurance Agent for Public Funds</b>	<ul style="list-style-type: none"> <li>➤ Resource mapping to identify programs, funding levels, duplications, and opportunities</li> <li>➤ Chartering of one-stop sites based on high private sector quality standards</li> <li>➤ Business plan creation as a base for on-going continuous improvement</li> <li>➤ Development of a balanced score card to track success across multiple funding sources</li> </ul>
<b>Resource Development and Venture Capitalist</b>	<ul style="list-style-type: none"> <li>➤ Generation of revenue to support innovation</li> <li>➤ Sponsoring or supporting business incubators</li> <li>➤ Funding entrepreneurship training</li> <li>➤ Engaging employers along with economic development</li> </ul>

3. **Great boards don't just think regionally, they act regionally.** Good boards foster regionalism by getting people to understand the interdependence of the various parts of the region. They build on that interconnectedness. Good boards don't consider their geopolitical lines to be boundaries. They coordinate with other boards, even across state lines, in order to meet the needs of the labor market by developing *regional* plans and strategies and looking at *regional* success.
4. **The Executive Director is a critical position.** The Executive director is out *in* the community, not bogged down in operations. Other people manage operations. The director is in constant communication with individuals and organizations that can help move strategic goals. He or she is a relationship builder. The board members describe him or her as visionary, strategic, the guardian of the vision and mission.

#### Key WIB Director Characteristics:

- ❖ Business competent
- ❖ Entrepreneurial
- ❖ System thinker
- ❖ Strategic thinker
- ❖ Political strategizer
- ❖ Problem solver
- ❖ Relationship manager
- ❖ Influencer
- ❖ Mediator
- ❖ Flexible
- ❖ Team player

#### Key WIB Director Duties

Strategic Leadership	Board Support	Board Development	Partnerships	System Development	Business Management	Administrative Work
Think strategically – work on “next cool thing”	Manage WIB internal communication	Recruit WIB members	Manage stakeholder relationships	Oversee workforce investment	Conduct marketing and public relations and communications	Manage eligible training provider list
Influence regional, state, and national policy	Support WIB committees	Orient/train WIB members	Ensure community input	Manage monitoring, evaluation, quality improvement	Manage contracts	Negotiate and manage MOUs and other agreements
Engage in regional strategic planning	Inform WIB decision making	Encourage WIB member participation	Build strategic partnerships	Manage performance measurement	Manage vendor selection	Interpret WIA law and regulations
Provide strategic leadership on initiatives & issues	Plan WIB meetings	Develop WIB to highest potential	Coordinate with economic development	Develop continuous improvement plans	Manage budget	Ensure WIB is in compliance with WIA

Strategic Leadership	Board Support	Board Development	Partnerships	System Development	Business Management	Administrative Work
Facilitate WIB strategic planning – vision, mission, goals			Manage WIB-elected official relationships	Provide oversight, liaison, and technical assistance to one-stop operators	Manage research	Comply with funding source requirements
Undertake community audits and needs assessments			Assist chief elected official(s)	Improve career pathway tools and system	Manage projects	
Carry out WIB's vision					Manage resource development	
Do political strategizing					Hire, train, and supervise staff and consultants	
					Manage staff professional development	
					Identify and adopt promising practices	

**5. Both good staff and good members are critical.** Boards will only be as good as the staff they hire. Staff cannot be as effective without the connections of the board, and the “street relevance” that members bring to the table. Passion for the work is a key characteristic of both. Good boards know how to use good staff.

**6. Board membership and its staff collectively comprise “the board.”** Staff may be perceived by some observers as a separate entity that may dangerously “control” the board, but board members view staff as part of them; it’s how the work gets done. Members and staff work together in partnership, but the members are not expected to do staff level work, and staff don’t expect members to deal with categorical programs.

**7. States can encourage or discourage high performance WIBs.** On the positive side, states can:

- Secure and award waivers that provide boards more flexibility.
- Empower boards with authority and additional resources that allow them to more easily sustain and integrate systems and services.
- Provide boards with flexible dollars, particularly incumbent worker training funds that they can mix with formula money to work with employers and industry consortia.
- Set high expectations for high performing WIBs.

- Establish an award system based on doing good work as a board, not just meeting program performance standards.
- Establish a clear firewall policy.

#### On the negative side:

- State administrative orientation, as opposed to strategic orientation, can drag WIBs into an administrative compliance focus.
- Prescriptive state mandates on board membership composition can interfere with the ability to get the *right* people on the board.
- State industry cluster targets can be contrary to local needs.
- States may give conflicting direction to one-stops from the board's direction; they may express "ownership" of one-stops that undermines the partners' understanding and support of the WIB's role.

## Next Steps

1. **Broad Dissemination.** The report will be widely distributed in Missouri and beyond.
  - The Missouri Training and Employment Council, the Missouri Division of Workforce Development, and Corporation for a Skilled Workforce will post a copy of the report on their respective websites.
  - The Missouri Division of Workforce Development will distribute hard copies to the WIBs in Missouri.
  - The findings will be presented at state and national conferences to the greatest extent possible, beginning with the Missouri Governor's Conference on Workforce Development in October, 2006.
  - The report will be distributed to workforce-related publications (e.g., the Employment & Training Reporter) and leading national organizations, including those of the National Advisory Group members.
2. **Technical Assistance.** Missouri boards will have access to technical assistance which may take many forms, some of which may be non-traditional. Input will be sought from the local leadership about delivery mechanisms. Possibilities include:
  - Development of a relevant leadership curriculum.
  - Webinars and case studies.
  - Requests for technical assistance funds, for which a local board might identify the specific hierarchy(ies) it is trying to improve upon, and the related technical assistance the board believes will help it get there.
  - Adaptations of mentor models such as the National Business Learning Partnership approach.
  - Individual meetings with local leadership, which may involve the chief local elected official, the WIB chair, and the director, and possibly a

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representative from the Steering Committee to reflect on their site visit observations.

- 3. Policy.** The findings from the study will inform Missouri's incentive and board certification policies. Input and feedback obtained through local dissemination and an inclusive process of open discussions will help DWD determine the specifics of the policies.

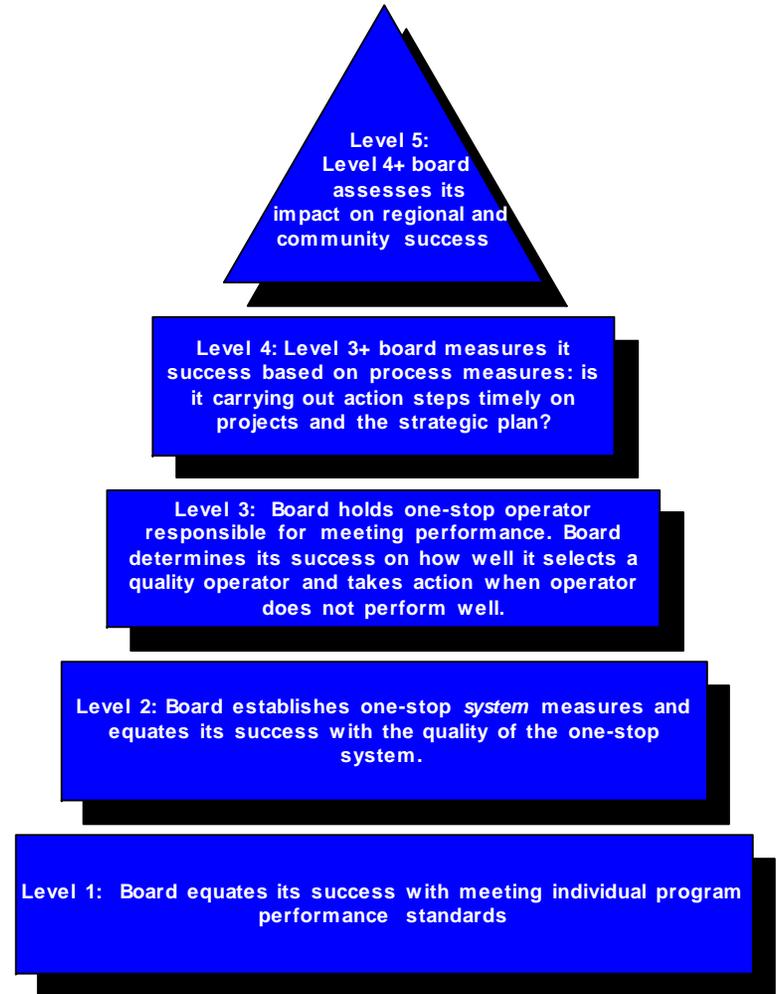
# Self Assessment Tool

## *Measuring Success*

Critical Success Factor 1: Measures Success of the Board	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Assesses board impact				
Indicator 2: Evaluates strategic plan progress and outcomes				
Indicator 3: Measures the board's growth				
Indicator 4: Assesses relevance of the board to key individuals and groups in the community.				
Indicator 5: Assesses relevance of the board to the members				
Critical Success Factor 2: Measures Success of the Delivery System	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Sets standards for the one-stop delivery system that "raise the bar."				
Indicator 2: Establishes measures beyond individual programs, beyond federal requirements.				
Critical Success Factor 3: Measures Community and Economic Growth	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Assesses factors of community success that are greater than the board's span of control.				

# Overall Assessment: Where is your board on the Success Measurement Hierarchy?

Level 1	Level 2	Level 3	Level 4	Level 5



## ***Managing the Work of the Board***

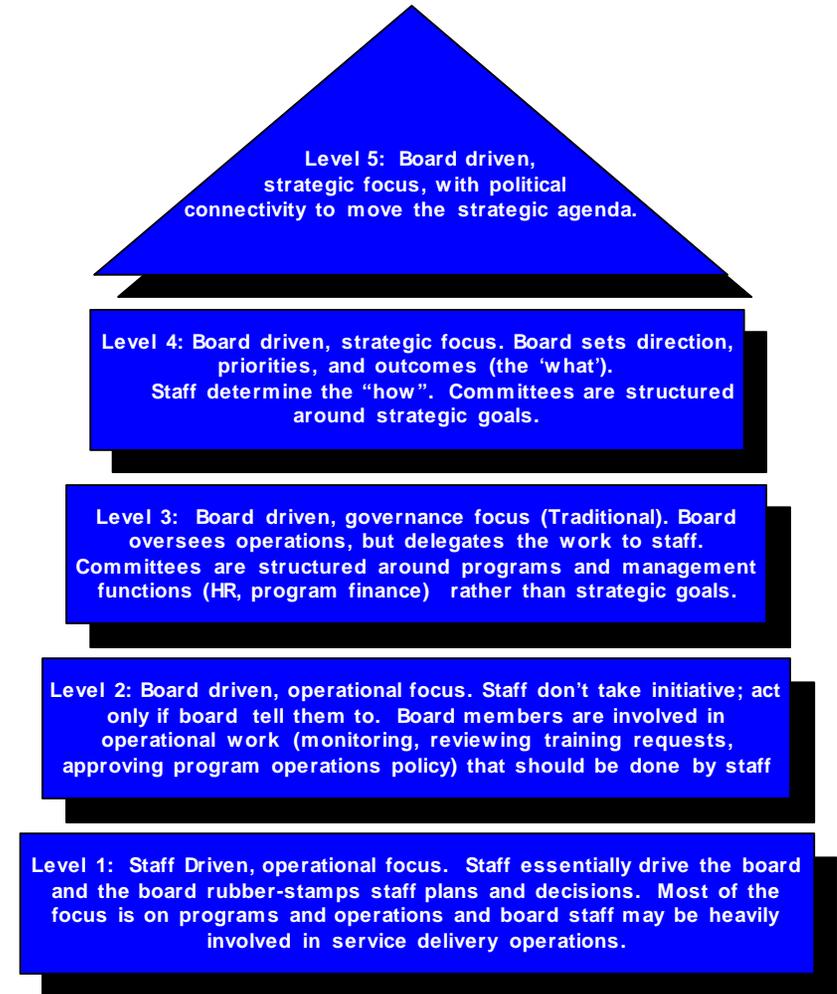
<b>Critical Success Factor 4: Manages the Board as a Business</b>	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Incorporates				
Indicator 2: Develops its own budget				
Indicator 3: Invests in research and development				
Indicator 4: Plans for growth				
Indicator 5: “Markets” to the right audiences				
<b>Critical Success Factor 5: Takes Responsibility for its own Membership</b>	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Connects membership to strategic objectives				
Indicator 2: Recruits the right level of people on the board				
Indicator 3: Practices good “on-boarding”				
Indicator 4: Takes ownership of the nomination process				
<b>Critical Success Factor 6: Structures the Board and Committees to be Effective, Efficient, and Strategic</b>	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Uses consent agenda				
Indicator 2: Develops the agenda around strategic goals				
Indicator 3: Connects committees and task forces to the strategic goals and board work				
Indicator 4: Minimizes standing committees in favor of task forces				
Indicator 5: Involves non-board members in the work of committees and task forces				
Indicator 6: Uses strong, empowered committee structure				



<b>Critical Success Factor 7: Hires and Grows the Right Staff</b>	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Hires a great executive director and gives that person autonomy to act				
Indicator 2: Develops a sustainable culture				
Indicator 3: Defines staff positions and hiring qualifications consistent with strategic objectives and the work of the board				
Indicator 4: Provides compensation in attract and retain the best staff				
Indicator 5: Develops all staff				
Indicator 6: Invests in high quality employees				
Indicator 7: Has enough staff to be able to take advantage of opportunities				
<b>Critical Success Factor 8: Maintains a Clear Focus on Board Level Work</b>	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Builds a clear firewall between board work and operations				
Indicator 2: Develops policy at the 40,000 foot level				

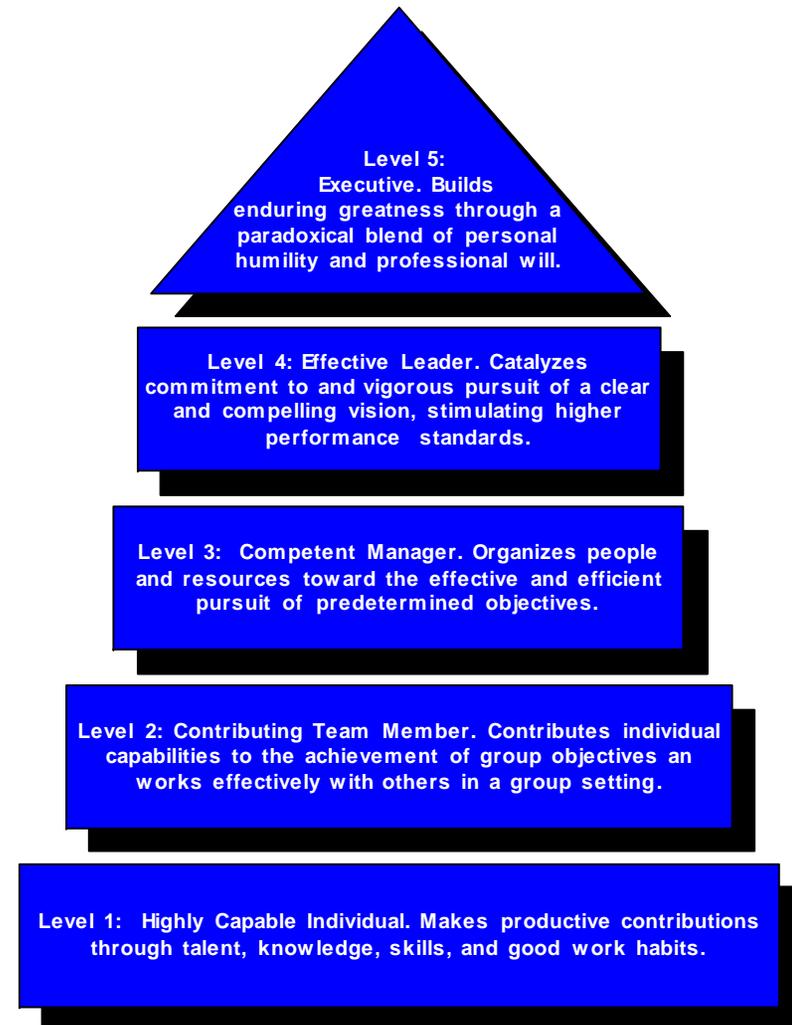
## Overall Assessment: Where is your board on the Board Management Hierarchy?

Level 1	Level 2	Level 3	Level 4	Level 5



## Overall Assessment: Where is your board on the Staff Leadership Hierarchy?

Level 1	Level 2	Level 3	Level 4	Level 5



Source: *Good to Great in the Social Sectors*; Jim Collins; 2005

## *Working Strategically*

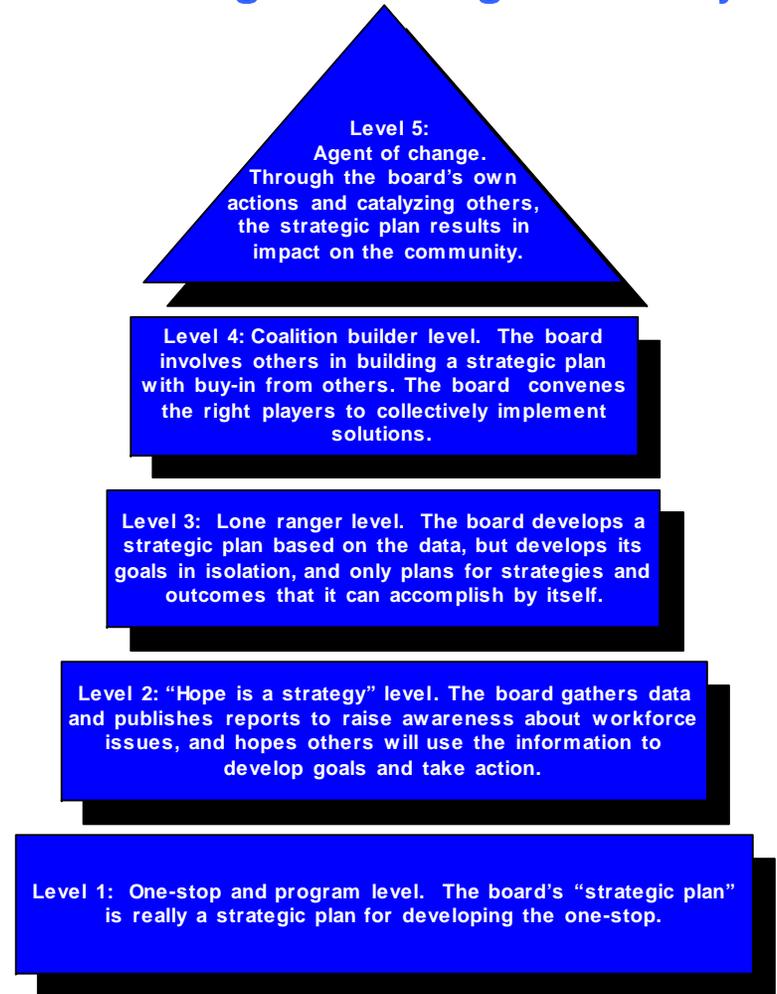
<b>Critical Success Factor 9: Data Driven</b>	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Collects data and turns it into workforce intelligence				
Indicator 2: Uses data to demonstrate success, or lead to new action				
<b>Critical Success Factor 10: Sector/Business Driven</b>	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Uses a sector-based approach				
Indicator 2: Develops an organized process for working with business and industry				
Indicator 3: Establishes sector/business expectations for the one-stop system				
<b>Critical Success Factor 11: Plans Strategically</b>	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Spends time and resources on planning				
Indicator 2: Involves non-board members in the process				
Indicator 3: Engages local elected officials				
Indicator 4: Links to/aligns with other strategic plans				
Indicator 5: Plans regionally				
Indicator 6: Holds high expectations for staff in the process				



<b>Critical Success Factor 12: Focuses on the “Big Issues”</b>	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Looks beyond traditional workforce development issues				
Indicator 2: Looks beyond programs and “eligibles”				
Indicator 3: Addresses root causes and ultimate fixes, not band-aids				
<b>Critical Success Factor 13: Turns Plans into Action</b>	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Builds alliances and coalitions				
Indicator 2: Demonstrates action				

# Overall Assessment: Where is your board on the Strategic Planning Hierarchy?

Level 1	Level 2	Level 3	Level 4	Level 5

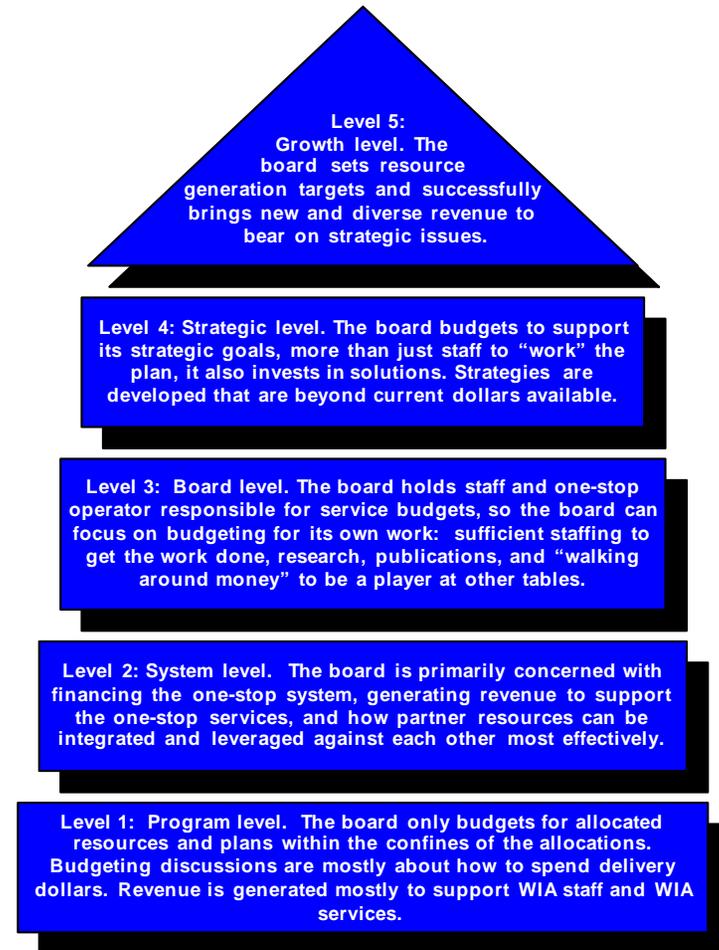


## ***Developing and Managing Financial Resources***

Critical Success Factor 14: Exercises Fiduciary Stewardship	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Evaluates effectiveness of investments				
Indicator 2: Oversees integrity of funds				
Critical Success Factor 15: Grows the Business	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Develops a plan to generate and diversity resources				
Indicator 2: Leverages funds				
Critical Success Factor 16: Budgets Strategically	We rate ourselves as:			
	Poor	Fair	Good	Excellent
Indicator 1: Allocates resources consistent with strategic objectives				
Indicator 2: Budgets for opportunity				

# Overall Assessment: Where is your board on the Resource Management Hierarchy?

Level 1	Level 2	Level 3	Level 4	Level 5



# Appendices

## *Appendix 1: Guiding Questions for Site Visits*

### Staff and Board Questions for On-Site Visits

#### CHARACTERISTICS OF A “GOOD BOARD”

- ❖ How would you define a good workforce board? What characteristics would you expect to find in a board that many people would agree is very good?
- ❖ How do you think your state agency/state board define a “good board” and how does that agree with or differ from your own perceptions?
- ❖ How do you view the relationship between having a “good board” and a “good one-stop?” Are those interdependent factors or do they stand alone? That is, could you have good board with a mediocre one-stop system and vice versa? What percentage of your overall board focus is on the one-stop service delivery system?

#### STRATEGIC ORIENTATION

- ❖ What do you see as the primary role of the board in influencing community workforce development issues; e.g., as a convener of entities with like interests, as a catalyst for creating community change strategies, as an accountability agent, or other roles?
- ❖ How did the board select its strategic goals? To what degree were these goals developed in collaboration with other organizations (economic development, chambers of commerce, community colleges, K-12, etc.)? How does the board approach working on those goals?
- ❖ How did you move from being a program-oriented PIC under JTPA to being a strategic oriented board?
- ❖ What have been your frustrations in trying to work at the strategic level? What have you done to deal with those frustrations?
- ❖ What caused the board to move into a strategic orientation? Was it the results of an economic shift or major project impacting the area?
- ❖ What are the major “big issue” successes you have had, such as reducing dropout rates, increasing literacy, filling critical skill shortages, or providing career ladders for low-wage workers?

- ❖ How were the big issues selected? How did you engage others to help you work on them?
- ❖ What do you think your role is on economic issues such as attracting good jobs, growing business, and ensuring a pipeline of future workers?
- ❖ If the board is responsible for TANF funds, how do you keep from being a “welfare board?” How do you ensure that you serve all population segments while still serving the broader population?

## VISIBILITY

- ❖ Do you position yourself in the community in terms of visibility and reputation? How? Why? “Who” needs to know who the board is and what it does and how do you make yourselves visible to those audiences?
- ❖ How do you distinguish the board and its work to those audiences separate from the one-stop system and its work?

## STAFF AND BOARD MEMBER ROLES

- ❖ How do you view the job of the board members themselves? What do you expect from them beyond attending meetings? How do you determine what is “staff work” and what is “board member work?”
- ❖ How do you use the board members’ skills and professional position for leverage in accomplishing your goals?
- ❖ How do you recruit new board members with an eye on the leverage you need? Talk about the process you use to identify and recruit members.
- ❖ Are the board members at all responsible for developing their own membership and developing the capacity of the members? How?
- ❖ What do you tell prospective members about what the board is and what their role will be? Why do you think people are interested in being on the board?
- ❖ How do you manage public sector participation on the board to keep it from dominating the board’s work and decision making?
- ❖ What role do board members play in the board meetings?
- ❖ Do board members think of themselves as representing themselves, their organization, the community as a whole, or something else?
- ❖ How important is the executive director role? That is, do you think the board would remain as good as it is if a weak director was at the helm? How do you sort out the role of the board director in **leading** the board to the identifying the right questions and making the right decisions versus **following** the board’s lead?
- ❖ How are staff, in particular the executive director (CEO, director, etc.), selected? Who has hiring/firing authority? To whom does the executive director report?

- ❖ How is staff size and structure determined?
- ❖ How much continuity does your board have? What percentage of the members have been with the board since PIC days?

## **BOARD STRUCTURE**

- ❖ How do you determine what standing committees you need? How do you decide when you need an ad hoc committee or taskforce instead of assigning work to a standing committee? How is committee membership determined?
- ❖ How is the committee structure designed to work on the priority issues of the region?
- ❖ How does the board or the committees link with other boards and their committees (like the chamber of commerce) who may be working on similar issues?
- ❖ To what extent do non-board members participate on committees? Why or why not?
- ❖ How empowered are the committees? Do they have a specific charge from the board?
- ❖ How are the committees staffed and managed? Who is “accountable” when a committee fails to perform, the members or the staff person assigned to it?
- ❖ How are chairpersons for the board and committees selected? What are they expected to bring to the table? How do you handle an ineffective chairperson?
- ❖ Talk generally about how you facilitate good members doing good work? How is the structure sustainable beyond the loss of a particular individual, such as a powerful board chair?
- ❖ [For those boards that are embedded in a larger organization such as a COG or economic development entity]: how do you leverage the position of the board within that structure for greater strength? What are the pros and cons of being in that structure rather than standing alone?
- ❖ Are you co-located, or have you looked at co-locating the board with other organizations, such as economic development? What would be the pros and cons? What has been your experience with attempting to co-locate? Has anyone ever invited the board to co-locate that you did not accept? Why?

## **REGIONALISM**

- ❖ What is your “natural labor market” or what economic developers or other entities would consider to be “the region?”
- ❖ How do you plan with or work with other boards and/or other economic and workforce entities in “the region”?
- ❖ Do you (or others) measure success for “the region” as a whole, or just for board-controlled parts of it?

- ❖ If appropriate, how do you manage across state lines?
- ❖ How do you handle diversity of interests, if any, within your own region (e.g., high unemployment in one county and low unemployment in another; urban versus rural interests)?
- ❖ How do you use technology to deliver services (or hold meetings) in large rural areas?

## FUNDING

- ❖ What funding sources other than WIA support the board? How did those other resources come about? Do you have non-WIA resource goals? Private resource goals?
- ❖ How do you determine the size of the board's budget?
- ❖ If no other resources are available, is there a plan to raise them? When and how will that occur?
- ❖ If there are additional resources, how do they relate to the broader mission of the board and to your goals? Are they a help or a hindrance?
- ❖ What the advantages and disadvantages of your fiscal agent arrangement? How and why was that decision made?
- ❖ How is the board alerted to spending and budget issues? How are those issues handled? How much financial information is presented to the board and in what format?

## ELECTED OFFICIAL RELATIONSHIP

- ❖ There are different types of elected officials, such as mayors of tiny towns as well as big cities, and county commissioners. How do you determine what elected officials "matter" to you?
- ❖ How important is it to engage the elected officials? How do you use them for leverage to accomplish your goals?
- ❖ Do the elected officials think the board is just about the one-stops, or have they charged with the board with a broader mission? If broader, did they come to that conclusion through the efforts of the board to educate and engage them, or from some other source?
- ❖ How do you ensure the elected officials help you appoint the *right* people to the board? Do the elected officials help recruit the right people, or only react to your recommendations?
- ❖ How often do you meet with elected officials, and for what purpose?
- ❖ How do you handle the responsibilities that the Act says must be handled jointly by the board and the elected officials? How does the WIB/LEO agreement get developed?

## RELATIONSHIP MANAGEMENT

- ❖ How do you define a “firewall” between the board and service delivery? How have you structured that firewall? How important do you think the firewall is? What are the pros and cons of a firewall?
- ❖ How do you define what the *board staff* do to ensure good service delivery versus what the *service delivery staff* are responsible for?
- ❖ What types of communications occur between the board and the operator? What types of meetings and how often?
- ❖ What is the relationship between the board and the contractors? What kinds of meetings and communications do you have with them?
- ❖ What about the relationship between the board and providers who are not contractors, such as community colleges and universities? Does the board influence curriculum?
- ❖ What is the relationship between the board and the state? How do those communications occur? Does the state communicate directly with the one-stop operator and contractors, or only through the board? How does that relationship work or not work?
- ❖ What relationship do you have with economic development entities? How do you plan together for the region and/or share goals? How was the relationship developed and how is it maintained? Is there any joint accountability to the elected officials, or mutual accountability to each other?

## SUCCESS

- ❖ What is success? How do you look at whether what **the board** is doing has *value*?
- ❖ If the board did not exist, what tangible things would the community miss?
- ❖ How do you balance between setting stretch goals and being realistic? What are the right indicators that boards should be looking at to determine whether what they do has value?
- ❖ What best practices has your board developed that would be of value to other boards?

## *Stakeholder Questions*

1. From your experience, what are the primary workforce issues that need to be addressed in this region?
2. What people or organizations should be primarily responsible for addressing these issues?
3. Are you aware of [name of workforce board] and its role? **If so,**
  - Do you believe this is the right role?

- 
- Are they working on the right issues, the issues that you think are most important in the region?
  - How effective has the board been at dealing with the issues and moving the region in the right direction?
  - Do you think the board has the right membership to be effective? Why or why not?
4. If [name of workforce board] did not exist, do you think it would have any negative impact on the region?
  5. Do you think the board is viewed as trusted and dependable by other community groups and leaders? Why or why not? Was this always the case? If not, how did this stature come about?
  6. Do you seek out the board to help work on your issues, or just react to what they bring you?
  7. Would you ever go forward on an issue without involving the board? What kind of issue involves the board?
  8. When you work with the board, who takes the “leadership” role, is it mutual? How is the relationship worked out?
  9. Thinking back on issues where you have worked together with the board, would the end result or impact have been the same if the board had not been involved? What did they bring to the table, whether in dollars, clout, support, or convening power?
  10. How has the board come to have its respected status?

## *Appendix 2:*

# *Background Survey Results*

Of the 18 respondents:

- ❖ Seven represented a single county (with two of them representing just a portion of one county), and 11 had multi-county jurisdictions, ranging in size from three to 62 counties. Most of the multi-county boards had a mixture of urban and rural, urban and suburban, or suburban and rural areas.
- ❖ A quarter were not incorporated, and three-fourths reported being incorporated (one of the “no’s” turned out to be a board where the full board is not incorporated, but the Executive Committee is).

Is Board Incorporated?		
Yes	13	72%
No	5	28%
Total	18	100%

- ❖ Board size ranged from 30 to 63 members.
- ❖ The employer of record for board staff included the incorporated board itself, Councils of Governments, a community college, and an education service center.
- ❖ The number of dedicated staff (full time equivalents) ranged from “zero” to 30:

Number of Dedicated Staff (FTE)	Number of Responding Boards Reporting
0-5	4
6-10	7
11-15	3
16-20	0
21-25	2
26+	1

- ❖ The boards were about evenly likely to competitively procure the one-stop operator(s) compared to designating a consortium of partners.

Is the one-stop operator(s):		
The same entity that staffs the board?	2	11%
Competitively procured	8	44%
A designated consortium of three or more partners?	7	39%
Multiple operators selected by 2 or more of the above methods?	1	6%
Total	18	100%

- ❖ The responding boards were less likely to be the fiscal agent than to have that role.

Is the board the Fiscal Agent?		
Yes	7	39%
No	6	61%
Total	18	100%

- ❖ Reflecting their entrepreneurial spirit, there was a high degree of fee-for service activity among both the boards and their one-stop operators:

Does the board engage in revenue generation for its own work (separate from fee-for-service activities of the one-stop)?		
Yes	12	67%
No	6	33%
Total	18	100%

Does the board allow the one-stop operator to engage in fee-for-service activities?		
Yes	18	100%
No	0	0%
Total	18	100%

- ❖ The majority of boards felt their state policy environment was somewhere between restrictive and permissive.

Would you consider your state policy environment with regard to boards and their work to be:		
Restrictive state policy environment	2	11%
Permissive state policy environment	4	22%
Somewhere in between restrictive and permissive	11	61%
I have no basis of comparison with other states	1	6%
Total	18	100%

## *Appendix 3:*

# *Self-Assessment Results*

**Note:** Eighteen boards completed both the requested background survey and self-assessment. Two additional boards completed the self-assessment after the deadline and without doing the background. The two late boards were excluded from consideration for site visits, but their self-assessment results are included here.

<b>Measuring Success</b>					
<b>Rate your board on the following characteristics of measuring success</b>					
(Top number is the count of respondents selecting the option. Bottom number is percentage of total)					
	<b>Weak</b>	<b>Mediocre</b>	<b>Good</b>	<b>Outstanding: A model for others</b>	<b>N/A</b>
Achieving WIA performance	0 0%	0 0%	12 60%	7 35%	1 55%
Achieving budget/fiscal performance objectives	0 0%	0 0%	9 45%	11 55%	0 05%
Measuring the effectiveness of the workforce development system	1 5%	2 10%	13 65%	4 20%	0 0%
Measuring return on investment for the use of public or private funds	3 15%	7 35%	6 30%	3 15%	1 5%
Establishing chartering standards for the one-stops	0 0%	2 10%	1 5%	13 65%	4 20%
Defining and measuring successful performance for the board, separate from the one-stop	1 5%	2 10%	7 35%	9 45%	1 5%
Defining and measuring community/region success	1 5%	5 25%	7 35%	6 30%	1 5%

<b>Does the board know whether the region’s economic development, education and workforce preparation systems are working effectively together to improve the competitive position of the region?</b>		
Yes	15	79%
No	4	21%
Total	19	100%
<b>Has the board established its own standards and expectations for the one-stops above and beyond any state standards for chartering or certification?</b>		
Yes	15	75%
No	5	25%
Total	20	100%
<b>Has the board established measures for the total performance of the one-stop system (not just individual program measures)?</b>		
Yes	11	55%
No	9	45%
Total	20	100%
<b>Does the board measure or evaluate the return on investment for the use of public or private funds?</b>		
Yes	11	55%
No	9	45%
Total	20	100%
<b>Does the board define and measure success for the board, separate from success for the service delivery system?</b>		
Yes	13	65%
No	7	35%
Total	20	100%
<b>Does the board define and measure indicators of community/regional success related to its goals (e.g., improved graduation rates, increased number of “good” jobs, etc.)?</b>		
Yes	6	30%
No	14	70%
Total	20	100%

## Managing the Work of the Board

Rate your board on the following characteristics of measuring success

(Top number is the count of respondents selecting the option.  
Bottom number is percentage of total)

	Weak	Mediocre	Good	Outstanding: A model for others	N/A
Board member recruitment	0 0%	2 10%	12 60%	6 30%	0 0%
Connecting recruitment of members to strategic objectives	1 5%	1 5%	9 45%	9 45%	0 0%
Orientation of new board members	0 0%	1 5%	13 65%	6 30%	0 0%
Board member attendance at full board meetings	0 0%	1 5%	15 75%	4 20%	0 0%
Developing effective board and committee agendas	0 0%	1 5%	11 55%	8 40%	0 0%
Board member attendance at committee/task force meetings	1 5%	2 10%	11 55%	6 30%	0 0%
Developing annual work plans and goals for committees/task forces	1 5%	2 11%	10 53%	6 32%	0 0%
Succession planning for board leadership	3 15%	2 10%	9 45%	6 30%	0 0%
Succession planning for key board staff	2 10%	6 30%	8 40%	4 20%	0 0%
Ensuring adequate board staffing (numbers and quality) to get the work done	0 0%	2 10%	14 70%	3 15%	1 5%
Engaging elected officials in the work of the board	0 0%	4 20%	9 45%	7 35%	0 0%

**Does the board's membership recruitment strategy connect to its strategic objectives (e.g., if working with the health care sector is a priority, the board recruits high level representatives from that industry)?**

Yes	19	95%
No	1	5%
Total	20	100%

**Does the board provide orientation for new members prior to their first attendance?**

Yes	17	89%
No	2	11%
Total	20	100%

**Does each committee/task force have a written annual work plan and goals?**

Yes	11	58%
No	8	42%
Total	19	100%

**Which statement best describes your approach to committees/task forces?**

We have strong, empowered committees that make their own decisions regarding action and resources.	4	20%
We have strong committees that make recommendations to an executive committee, which is empowered to act and approve resources.	8	40%
All decisions regarding action and resources are deliberated and approved by the full board.	1	5%
Some mixture of the above.	6	30%
None of the above.	1	5%
Total	20	100%

**What is the average percentage of:**

Attendance at full board meetings	70%
Private sector attendance at full board meetings	66%
Attendance at committee meetings	75%

**Does the board engage its local elected officials in the work of the board?**

Yes	17	89%
No	2	11%
Total	19	100%

## Strategic Orientation

Rate your board on the following characteristics of strategic orientation.

(Top number is the count of respondents selecting the option.

Bottom number is percentage of total)

	Weak	Mediocre	Good	Outstanding: A model for others	N/A
Strategic planning for the board's work, separate from the one-stop work	0 0%	0 0%	8 40%	12 60%	0 0%
Relating the board's strategic plan to the overall economic development strategy of the region	0 0%	2 10%	8 40%	10 50%	0 0%
Conducting research	0 0%	1 5%	10 50%	9 45%	0 0%
Developing and communicating labor market information about the region	0 0%	2 10%	9 45%	9 45%	0 0%
Identifying major workforce issues in the community	0 0%	0 0%	9 45%	11 55%	0 0%
Achieving public awareness of the board and its work	1 5%	3 15%	9 45%	7 35%	0 0%
Developing and managing high-impact projects	0 0%	2 10%	7 35%	11 55%	0 0%
Engaging the community and stakeholders in identifying and working on major workforce issues	1 5%	2 10%	9 45%	8 40%	0 0%
Being innovative and taking risks	0 0%	1 5%	4 21%	14 74%	0 0%
Building alliances and coalitions to work on major issues	0 0%	1 5%	5 26%	13 68%	0 0%
Linking with economic development	0 0%	2 11%	7 37%	10 53%	0 0%
Developing sector-based approaches to workforce development	0 0%	4 20%	8 40%	8 40%	0 0%
Having measurable impact on key industry sectors	0 0%	3 15%	12 60%	5 25%	0 0%
Developing and implementing strategies that extend beyond the WIB's boundaries	1 5%	1 5%	4 20%	14 70%	0 0%
Acting as an advocate for workforce issues with Congress and/or the state legislature	1 5%	6 30%	8 40%	5 25%	0 0%

**What are the major strategic issues the board has prioritized to determine the focus of the work?**

1	Average wage increases. High pay/high skill job development. Identifying future challenges in the workforce skill base.
2	Building upward mobility pathways for youth and adults that respond to skill demands of local employers and are necessary for economic growth. Also doing a lot of work on drop-outs.
3	As agriculture opportunities decline, so does the economic outlook for many rural communities. The board is beginning to engage in broader strategic planning to address these issues.
4	Regional approach to economic development as well as community development of rural communities; improving skills of entry-level and incumbent workers; engaging employers in the workforce systems.
5	The major strategic issues the board has prioritized include regional economic growth, youth violence and gang participation.
6	Industry cluster research, recommendations to the economic development and workforce development communities.
7	Successful one-stop system, public awareness, proactive approach, working closely with K-12, and exceeding measures.
8	Outreach to high poverty and low employment rates. Literacy WIRED (DOL Grant) to address regional concerns. High drop-out rate in high school. Offenders re-entry.
9	All work for the board fits in four priority areas: <b>A.</b> Integrating a focus on sectors into economic, education, and workforce strategies and programs. <b>B.</b> Preparing youth for work and learning beyond high school. <b>C.</b> Promoting quality of programs and services, policy and planning; and <b>D.</b> Collaborating with neighboring workforce boards on projects that will benefit the metropolitan region.
10	Regional planning. Linking education and industry. Literacy
11	Four new corporate plan goals: Strengthen key business industries; engage the community in workforce issues; enhance the e3 concept; ensure one-stop success.
12	Post-secondary graduation rates, literacy, youth employment/ connection to school, cluster work (especially life sciences, but other industries as well with a more focused scope).
13	Immigrants, mature workers, low wage workers and emerging youth.
14	Business and education working together. Aligning workforce and economic development. Defining "work ethic."
15	Linking with economic development and education; developing effective sector initiatives; maintaining outstanding customer service and exceeding performance standards.
16	Raising education rates and creating culture of lifelong learning; making aging workforce an economic development tool; regionalism and focus on entrepreneurial activities.
17	Responding to structural change in the economy and the work place; supporting industry-driven solutions.

<b>Does the board budget resources to address those major issues?</b>		
Yes	13	68%
No	6	32%
Total	19	100%
<b>Has the board built alliances or coalitions to work on those issues?</b>		
Yes	19	89%
No	0	0%
Total	19	100%
<b>Have you ever conducted a labor market analysis that resulted in a public report (e.g., State of the Workforce report, skills gap analysis, or other study)?</b>		
Yes	17	85%
No	3	15%
Total	20	100%
<b>Would you describe your board as being innovative (i.e., taking risks)?</b>		
Yes	17	85%
No	3	15%
Total	20	100%
<b>Does your board have an impact on crucial sectors of the community?</b>		
Yes	16	80%
No	4	20%
Total	20	100%

What has been your board's greatest contribution to your region's economic health in the last three years?	
1	Raised awareness of our problems and challenges and our abilities to collectively design solutions.
2	Developing pathway programs in health care for youth and adults.
3	Probably our Workforce Investment Fund grants. We have provided about half a million dollars in grant funding to private businesses, which have provided comparable cash matches. Our funding has leveraged additional funds from local economic development entities as well as significant funds from the state's skills development fund.
4	Awareness, through our reports, that the region must work together to grow the economy.
5	Influencing the development of training and utilization of public resources targeted to high growth industries.
6	A steady and competitive manufacturing workforce, especially the powdered metals industry.
7	Design century study, state of the workforce report and youth report. Crucial player in comprehensive economic development strategy. Heavily involved in industry recruitment.
8	Healthcare initiatives.
9	Working with our local economic developers to attract new industry and then assisting with the training needs. For example, we will train over 800 Tyson employees this year.
10	Matching people with jobs.
11	Rapidly responding to the disaster recovery and long-term recovery efforts after the hurricanes of 2004 and 2005. We placed over 500 people in temporary jobs and over 200 entered new unsubsidized jobs. There are still 100 people employed in the recovery efforts. The remaining people are working with us on training or they returned to their old jobs. This effort brought over \$13 million to the county (one of the largest awards in the state).
12	Graduate [name of city] ; focus on post-secondary completion; Life Science Career Alliance – organized a multitude of interests in the field; leveraged substantial resources.
13	For a region whose economy is robust, board's greatest contribution has been the number of people we have brought into the workforce with the skill set required to become self sufficient. By preparing workers for the skilled jobs of the future, we are ensuring the region remains robust and continues to be the economic engine of the state.
14	Work Ethic Certification program.
15	Adding a focus to key industries in the economy that all of the important systems can get behind in their work.
16	Two sector initiatives.
17	Serving as the regional convener for workforce and economic development issues. Being the organization that connects the issues and asks the questions in the region.
18	Focusing on being responsive to a net job loss of over 210,000 in just one county.

**Do you advocate for workforce issues with law and policy-makers?**

Yes	14	70%
No	6	30%
Total	20	100%

**Managing Resources**

Rate your board on the following characteristics of resource management.

(Top number is the count of respondents selecting the option.  
Bottom number is percentage of total)

	Weak	Mediocre	Good	Outstanding: A model for others	N/A
Sustainability planning in the event of loss of WIA resources	3 15%	6 30%	9 45%	1 5%	1 5%
Revenue generation for the board's work	5 25%	4 20%	6 30%	4 20%	1 5%
Revenue generation for service delivery	4 20%	4 20%	6 30%	4 20%	2 10%
Diversification of revenue	4 20%	4 20%	9 45%	3 15%	0 0%
Budgeting for the board's work separate from one-stop work	0 0%	2 10%	8 40%	10 50%	0 0%
Credibility in the community to act as an honest broker	1 5%	0 0%	8 40%	11 55%	0 0%

**Please list approximate percentages of the board's budget (not the one-stop budget) from various funding sources (WIA, TANF, foundation grants, private dollars, etc.).**

Responsiveness ranged from 20% to 100% of total budget dependent on WIA.



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