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Responsive Training Driving Innovation Economies

by Iryna V. Lendel

The workforce has always been a crucial factor in driving innovation: people are a fundamental resource responsible for creating knowledge that can ultimately lead to breakthroughs. When we think of the workforce's role in innovation, we picture engineers, inventors, and highly skilled technicians in university labs and private research facilities. Inventive companies and industries, however,

need many different skills and jobs, from skilled equipment operators to chief scientists. Forward-thinking regions realize the need for such breadth and focus on cultivating the essential skills, knowledge, and attitudes necessary for an innovative economy. Their goal is to make workforce training programs responsive to demand and aligned with the community's needs.

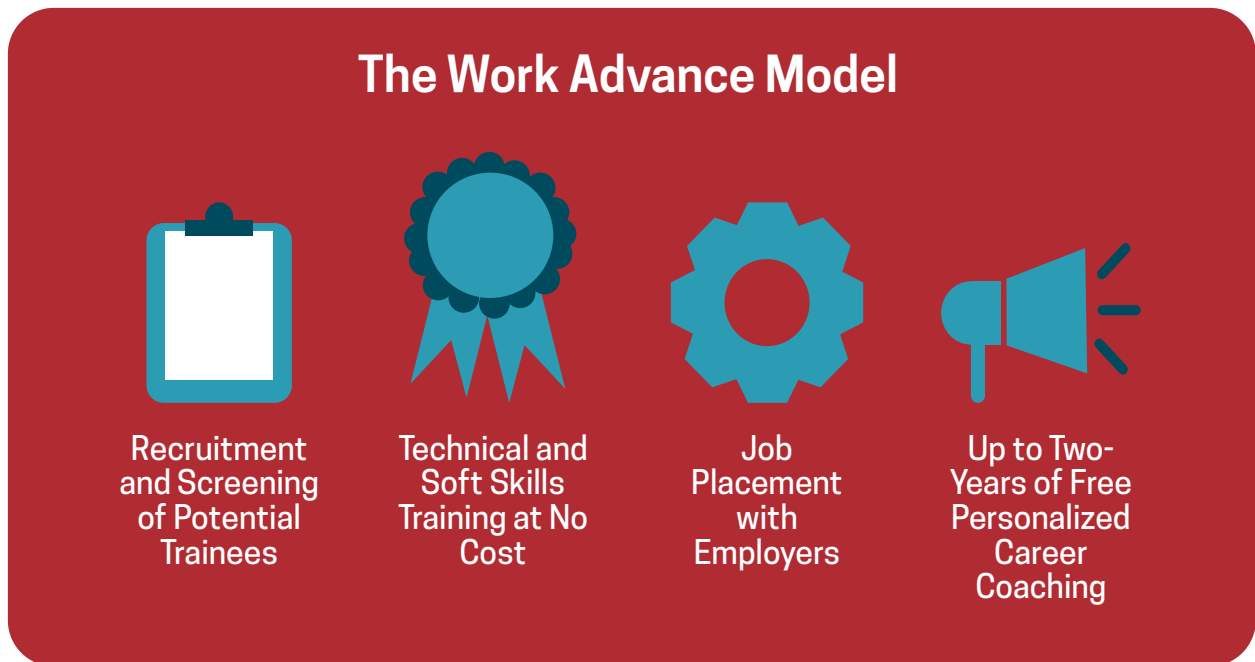
How Companies Can Help Build the Innovation Workforce

Ensuring communities are innovation-ready means getting companies more involved in workforce training through contributing to the design, monitoring quality, and even offering instruction. Companies need to invest resources in these training programs if they want skilled workers. As described below, several communities have adopted place-based models of comprehensive training efforts in partnership with employers.

Examples of these programs include the following:

The WorkAdvance Model

The [WorkAdvance model](#) was launched in 2011 by four organizations in multiple locations: Madison Strategies Group/Tulsa Community WorkAdvance (New York City/Tulsa), Per Scholas (New York City), St. Nicks Alliance (New York City), and Towards Employment (Northeast Ohio). Each organization provides focused training in a specific sector, such as IT, manufacturing, professional services, or health care, and tries to meet the needs of both job seekers and employers. They receive funding through a combination of federal, state, and local government sources, as well as from private philanthropy. Many community-based workforce programs



highlight program logistics and details to encourage signing up for training among unemployed and low-wage working adults. Some providers offer free information sessions or open houses for applicants and their families, with the aim of gaining their trust and convincing them that the opportunity is not a scam and really is offered at no cost to the participants.

While each WorkAdvance program focuses on training in transferable and certifiable skills for different industries, the basic structure follows several core elements. First, the organization screens potential trainees before enrollment, ensuring they have the right work ethic and personality for the client businesses. The organizations next provide technical and soft-skills training at no cost to the trainee. They then facilitate specific matches between the trainees and employers. Finally, to increase employee retention, graduates receive one to two years of free, personalized career coaching. Depending on the strength of the program's implementation, the WorkAdvance model has been shown to increase earnings for participants both in the [short](#) and [long](#) term.

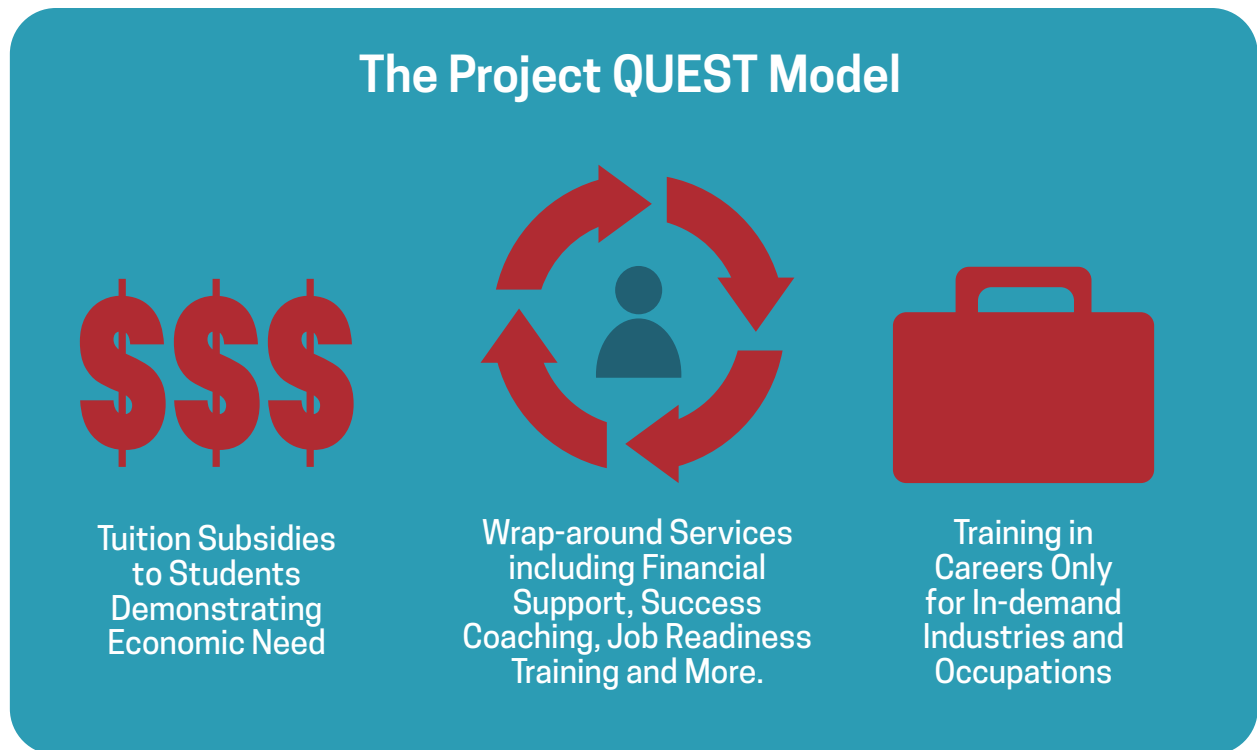
This model has thus emerged as a promising approach to workforce development for workers without college degrees, although many programs remain relatively small and can be difficult to scale up, as funding is an issue. The preemptive screening also means that some of the most vulnerable workers may not benefit from this approach.

Project QUEST

[Project QUEST](#) provides unemployed and working-poor residents of San Antonio with employment training and job placement services. Enrollees must demonstrate economic need by earning less than half of the median family income for the city. The program's funding comes primarily from San Antonio's general fund, with some support from private philanthropy. Through the utilization of its in-house Applicant Information Management system, QUEST tries to demonstrate its cost-effectiveness, documenting return on investment in employment training through increased tax revenue and reduced dependence on other city-funded social services.

The program provides tuition subsidies to participants while they are enrolled in associate degree or certificate programs at local community colleges. The supported programs are occupation-specific, selected by QUEST staff based on occupations that are in high demand in the San Antonio labor market and occupations that lead to family-supporting wages. QUEST also provides concomitant wraparound services, including rental assistance, scholarships, job interview preparation, money for books, and more.

Project QUEST has been adopted in [other locations](#) in Texas and Arizona under different names, including VIDA (Valley Initiative for Development and Advancement) in the Rio Grande Valley of Texas, Capital IDEA in Austin and



Houston, Project ARRIBA (Advanced Retraining and Redevelopment Initiative in Border Areas) in El Paso, and JobPath in Tucson, Arizona.

Since its inception, Project Quest has assisted San Antonians to pursue emerging careers in health care, manufacturing and trades, and information technology. Right now, the wraparound services of the project can include rental assistance, scholarships, job interview prep, funds for tuition and books, and more.

The core challenge that programs such as Project QUEST in San Antonio face is how to diffuse these models at scale. According to MIT Professor [Paul Osterman](#), too many community college enrollees fail to complete their programs,

and the job-training programs are small relative to the size of their labor markets. In addition, not all employers partnering in training take high-quality training programs seriously as a source of employees. Overall, he argues that the problem is threefold: 1) resources to support community colleges and training programs have been falling, 2) there are challenges in organizational reform in terms of adopting best practices and weeding out weak ones, and 3) stakeholders must learn how to build regional compacts of employers, governments, community colleges, and community groups that come together with a shared commitment to assemble a real skill development system in their region.

Employer Resource Networks

Employer Resource Networks (ERNs) are private-public associations whose purpose is to improve workforce retention through employee support and training. Each network consists of a consortium of small to midsize businesses that pool resources to provide various forms of assistance to entry-level (often lower-wage) employees. As of the [end of 2022](#), there were 29 active ERNs in the following eight states: Indiana, Kentucky, Michigan, Minnesota, Ohio, New York, Pennsylvania, and Tennessee. Another six states had ERNs under development. Participation of businesses in ERNs has led to improved employee retention and lower hiring costs.

ERN design varies based on the specific needs identified by businesses and the workforce they aim to assist. This may involve having career coaches on-site at business locations, at easily accessible supported sites (such as in the midst of an office park or industrial park), or rotating across participating companies. Employees benefit from easy access to career coaches who help address attendance, transportation, child care, and health-related needs, often by connecting workers to other sources of assistance they may not have known about. Coaches also organize free tax-filing aid, financial literacy sessions, homeownership counseling, and additional training opportunities. This semipersonalized social casework

The Employer Resource Network (ERN) Model



ERNs provide success coaches who work with employees and direct them to resources that then help them to:

- Improve employment skills
- Overcome personal barriers
- Prepare for advancement opportunities

The issues addressed by the ERN are tailored to the specific needs identified by the businesses.

approach fosters greater attachment between workers and employers, aiming to reduce turnover and promote a stronger career ladder.

A diverse and adaptable workforce is essential for driving innovation within companies and industries. As businesses evolve and innovation reshapes industries, it's crucial to recognize the important role of the entire workforce, not just the most highly skilled individuals. Addressing labor shortages and fostering innovation demands a responsive training system aligned with the evolving needs of industries. Companies playing an active role in workforce training produce benefits not

just for themselves but also contribute toward regional growth more broadly as workers gain versatile transferable skills and qualifications essential for thriving in an innovative economy. The place-based models of training get better traction with employers if they respond to specific shortages in regional sectors (i.e., demand-driven) and offer more than just pure training. A few aforementioned examples offer customized wraparound support services, such as soft-skills mentoring, transportation and day-care support, and other nontraining supports that can help job seekers overcome their challenges in finding and maintaining employment.

Policy Recommendations

- Encourage the development and implementation of local, demand-driven workforce training programs that involve collaboration between educational institutions, local governments, businesses, and community organizations.
- Make sure workforce training is effective. Effective workforce training is not just about classroom instruction; it often requires resources to facilitate ongoing conversations between training providers and employers to ensure the full set of needed skills are being taught. Resources that address worker challenges can pay for themselves in greater retention.
- Ensure that training programs focus not only on immediate skill acquisition but also on developing transferable credentials and skills that enhance workforce flexibility, allowing individuals to adapt to changing industry needs and secure employment opportunities.