

Workforce Training  
and Education  
Coordinating Board



# Upskill-Backfill Initiative

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Midterm Report  
June 2018

## EXECUTIVE SUMMARY

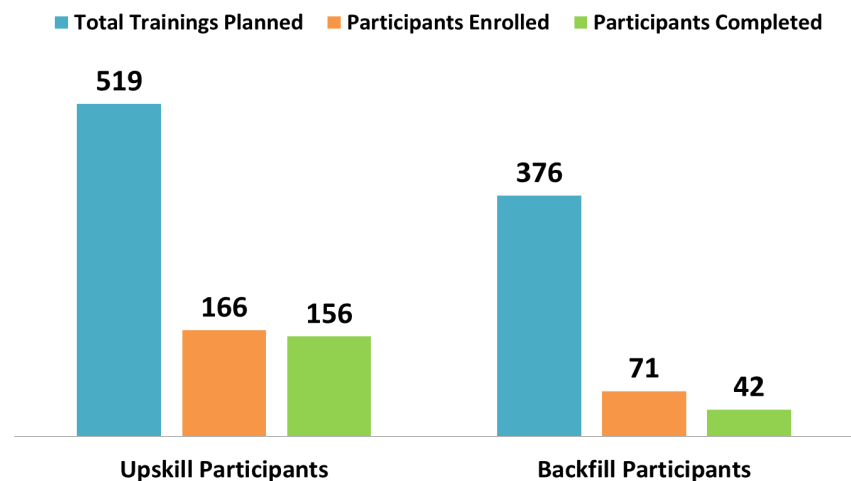
This is a midterm progress report on Washington's Upskill-Backfill Initiative (UBI). The Workforce Training and Education Coordinating Board (Workforce Board) and Employment Security Department (ESD) partnered to approve eight projects to receive federal workforce funding to implement the initiative, which joins public and business resources to improve the workplace skills of both current employees and new hires. The projects are being implemented across different sectors in different parts of the state by six local Workforce Development Councils (WDCs) and their partners.

### Background

Washington employers are faced with a limited and often under-skilled talent pool. Entry-level workers can be in short supply. Current employees often need training to advance. Meanwhile, Washington's aging workforce has begun to retire in larger numbers, leaving key positions unfilled. Upskill-Backfill serves as a new model for employee recruitment, retention, and advancement.

Washington's unemployment rate sat at 4.8 percent (around 168,000 people) in early April. Low unemployment has created a recruitment challenge for businesses. At the same time, Washington's 3.5 million-person workforce is getting older. Some 28 percent (more than 1 in 4) of Washington's employees are 55 years old or older. An exodus of experienced senior managers and skilled employees are expected to retire soon, leaving a knowledge gap, and open positions, in their wake.

### Upskill-Backfill Trainings



Progress is happening, although sometimes at a slower than projected pace. As of this mid-term report, Upskill-Backfill projects have achieved one-third (32 percent) of their planned outcomes. The Upskill-Backfill Initiative officially began in June of 2017 and is set to end March of 2019. Of the 166 employees enrolled in the "upskill" portion of the initiative, 156 completed the training. Another 71 participants enrolled in the "backfill" portion of the initiative, with 42 completing the training. In total, 237 participants enrolled in upskill-backfill training, and 198 completed the training - an 84 percent completion rate. After completing their training, 50 employees received a promotion or a wage increase in their current position.

Projects that produced good outcomes during the first year of implementation have the following elements:

- ▶ Clear and strong partnership – with all stakeholders.
- ▶ Direct employer engagement – invested in employee success.
- ▶ Dedicated support person – available to the participants.

Commitment, investment, and the human connection have proven to be key elements for Upskill-Backfill's success.

*"The Upskill-Backfill program gave our employees the training they needed to move into newly created supervisory positions. Because of this training we were able to develop paths for advancement within our organization and open up opportunities for career progression. This has increased employee satisfaction and given us a pipeline full of future supervisors and managers."*

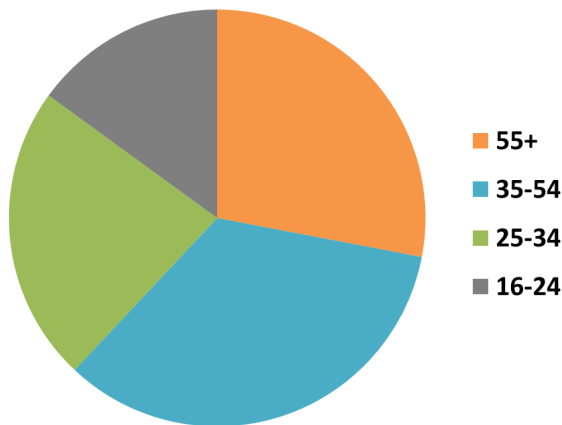
*-Dana Schmidling  
Sagetech, White Salmon*

## INTRODUCTION/BACKGROUND

### Washington's workforce demographics

Washington's total labor force is estimated at around 3.5 million people (April 2018, Bureau of Labor Statistics). Statistics show Washington has a mature workforce with 28 percent of the workforce age 55 and over (U.S. Census, 2016). The Millennial generation (age 25-34) represented 22 percent of the state's workforce, while youth (age 16-24) represented 15 percent.

### Age of Washington's Workforce Population



Source: US Census, 2016

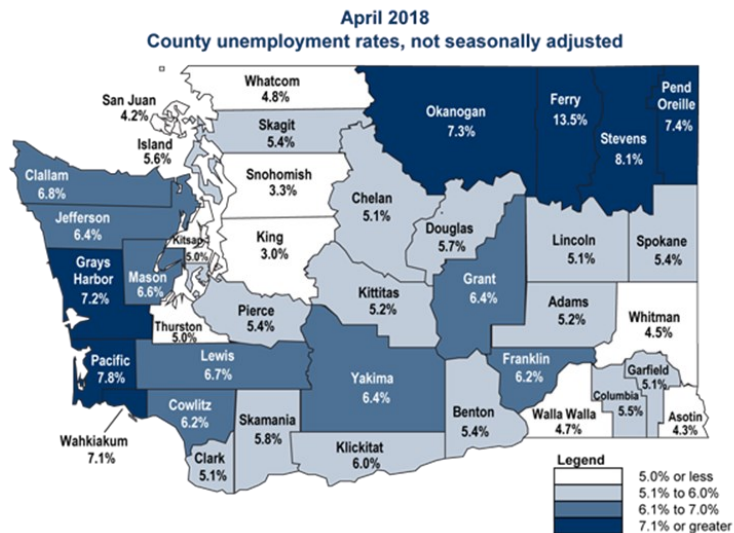
Washington's workforce is diverse and comprehensive, representing all sectors of the economy. Trade, Transportation, and Utilities, Government, Health Services and Social Assistance, Retail Trade, Professional and Business Services, Manufacturing, and Construction make up 90 percent of the non-farm workforce.

### Washington's Workforce: Breakdown By Industry

Trade, Transportation, and Utilities 	Government 	Education and Health Services 	Retail Trade 
<b>19%</b>	<b>17%</b>	<b>14%</b>	<b>12%</b>
Professional and Business Services 	Manufacturing 	Construction 	
<b>12%</b>	<b>9%</b>	<b>6%</b>	

Source: Employment Security Department, 2017 Annual Washington Historical Employment Data

Washington's employment levels are up—above the pre-recession levels. The unemployment rate was 4.8 percent as of April 2018. However, the state unemployment is over 1 percent higher than the national level of 3.9 percent in the same month. Of the 39 counties in the state, only 9 counties have unemployment of 5.0 percent or higher



Source: Employment Security Department, 2018

### UPSKILL-BACKFILL MODEL

The Upskill-Backfill model joins business and public resources to improve the workplace skills of both current employees and new hires. Under the Upskill-Backfill Initiative, businesses are able to improve their productivity and competitiveness, while creating new jobs.

Current workers have the opportunity to train (upskill) for promotional opportunities and higher wages, and contribute to the stability and vitality of their workplace. When current workers are promoted, it leaves vacancies for new hires to fill, creating opportunities for entry-level workers.

The initiative creates a pathway to employment and wage progression for job-seeking Washingtonians, especially those at the lowest income levels, or with other disadvantages.

Upskill-Backfill also includes customized training for jobseekers, providing a pathway for low-income and underserved individuals to high-demand jobs.

## UPSKILL-BACKFILL PROJECTS

### Funding and goals

Governor Inslee invested approximately \$2 million in federal Workforce Innovation and Opportunity Act (WIOA) Statewide Activity funds to fund the Upskill-Backfill Initiative. The initiative was part of a broader push to accelerate the state's workforce plan, *Talent and Prosperity for All (TAP)*.

Upskill-Backfill funding is an exciting and rare opportunity to test new approaches to service design. It ties together a comprehensive strategy uniting the public talent development system, employers, and workers/jobseekers to promote the advancement of all three. The Workforce Board has sought creative projects to test innovative service designs using the Upskill-Backfill concept, particularly to help individuals facing barriers to employment, and to engage employers as co-investors in our system.

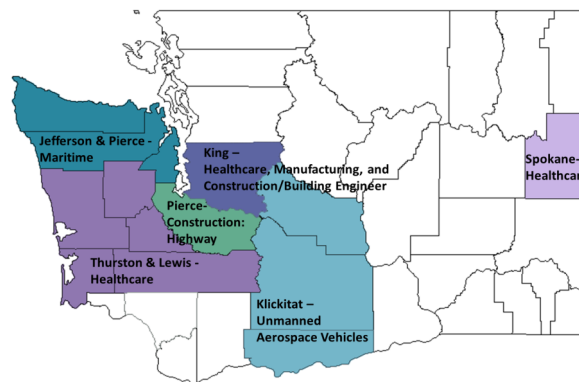
Upskill-Backfill funding should be seen as a one-time catalyst that creates permanent change, both statewide, and in local communities. This permanent systemic change should benefit both business customers and jobseekers, with a specific focus on populations facing employment barriers.

A top priority is identifying new ways to reach goals identified in Washington's workforce plan, TAP. When successful, these models will also create permanent change to existing funding streams through WIOA Core, Combined, and other system partners. Upskill-Backfill will forge partnerships among Workforce Development Councils (WDCs), TAP partners, businesses, and community resources to strengthen local connections and create more opportunities to meet the overarching goals of the state's workforce plan.

#### Governor Inslee's overarching goals for the Upskill-Backfill Initiative:

- ▶ Businesses will improve their ability to compete.
- ▶ Businesses will grow their workforce in the period after the program intervention.
- ▶ When appropriate, businesses will have a plan for succession.
- ▶ Incumbent workers will see an increase in their income.
- ▶ Unemployed or underemployed individuals will secure employment and livable wages at participating employer sites.

### Upskill-Backfill Projects Across Washington



The initiative is spurring local partnerships to create structural change and permanent capacity increases, sustained through preexisting funding streams. Local partnerships are expected to use the funding to make the project an integrated, routine part of the workforce system for jobseekers and businesses.

### Eight different projects across the state

The Workforce Board has awarded \$1.95 million in competitive grants to eight different projects designed to “upskill” entry- and mid-level employees through additional education and training that moves them ahead in their careers, while “backfilling” their open positions with new workers. An estimated 519 existing employees will be provided with additional training to advance their careers, with another 376 receiving training to backfill in new hire opportunities.

The eight projects join public and private resources to focus on a wide range of occupations and industries, including:

- Healthcare
- Building Engineers in the Construction Industry
- Construction and Highway Workers
- Manufacturing and Aerospace
- Maritime operation

The projects are in seven counties: King, Pierce, Thurston, Lewis, Jefferson, Klickitat, and Spokane counties. The projects are expected to partner with 21 local businesses. So far there are eight active business participants.

Each project is headed up by a regional WDC in conjunction with area businesses within a particular sector. This public-private partnership brings businesses to the table to help shape the training their workers receive, while also co-investing their own resources into targeted training programs. The goal is to move more Washington workers into needed, higher-skilled positions, with a focus on populations facing barriers to employment.

## Upskill-Backfill Project Funding

Sector	WDC	Grant	Other	Upskill	Backfill
Healthcare	Pacific Mountain	\$275,000	\$160,000	65	24
Construction Heavy/ Highway	Central	\$250,000	\$149,000	25	50
Manufacturing - Aerospace	South Central	\$250,000	\$396,053	95	67
Healthcare	Spokane	\$142,614	\$169,856	15	15
Construction	SeaKing	\$226,855	\$171,257	100	30
Manufacturing	SeaKing	\$275,000	\$248,900	125	50
Healthcare	SeaKing	\$241,480	\$163,170	20	20
Maritime	Olympic	\$288,216	\$389,592	74	120
<b>Total Funding:</b>		<b>\$1,949,165</b>	<b>\$1,847,828</b>	<b>519</b>	<b>376</b>

Beyond the state's \$1.95 million investment in these eight projects, nearly \$1.85 million in additional funding was leveraged through matching grants and business investment, for a total of \$3.8 million in targeted job training. Below is the breakdown of the investment throughout the eight projects.

## Upskill-Backfill Initiative—Project Description



### King County - Manufacturing/Aerospace

Skilled workers are in great demand from the manufacturing industry. Right now, the limited supply has employers poaching talent from one another in the region. This project is upskilling manufacturing workers into leadership positions and backfilling with entry-level workers, with a focus on populations with barriers, including those with disabilities. The project is designed to provide advanced training to 125 current workers (of which 75 will receive wage increases); bring in 50 new hires to the industry, with an estimated 10 employers increasing their overall head counts.

- ▶ Partners: Genie (Terex brand), Astronics AES and Spectralux, Everett Community College Corporate and Continuing Education Center, Lake Washington Institute of Technology, Neighborhood House, and Trac Associates.
- ▶ Grant Amount: \$275,000 (with \$248,900 leveraged totaling \$523,900)

### King County - Construction/Building Engineer

The demand for building engineers is expected to increase 14 percent over the next 10 years in the greater Seattle area, according to Economic Modeling Specialists. An added challenge is an aging workforce at the Senior Building Engineer level. This project is upskilling potential leaders, enabling them to operate HVAC, electrical, plumbing and mechanical systems in high-performance buildings and backfilling with new employees. The project is intended to: engage 10 businesses; train 100 current workers (with 50 receiving wage increases); and bring 30 new hires into the newly opened positions.

- ▶ Partners: Renton Technical College, Construction Center of Excellence, TRIO, NW Business Solutions Inc., ANEW, Emerald Cities Seattle, WBEC Steering Committee (Wright Runstad/Western WA Stationary Engineers), Associated General Contractors (AGC) Education Foundation, and Western Washington Stationary Engineers.
- ▶ Grant Amount: \$226,855 (with \$171,257 leveraged, totaling \$398,112)

## King County - Healthcare

King County faces an ongoing healthcare worker shortage. To help meet this demand, area employers would like to tap talent from entry-level positions to fill critical clinical openings. This project is upskilling environmental services, food service, and customer service workers to move into clinical roles like nursing assistant and medical assistant, and backfilling entry-level positions, with a special focus on populations facing barriers to employment. The project is designed to: engage two employers; support advancement training for 20 current workers; and facilitate 20 new hires to replace the workers who have advanced into new positions.

- ▶ Partners: Neighborhood House, Kaiser Permanente, Harborview Medical Center, the Washington Federation of State Employees, and other labor organizations.
- ▶ Grant Amount: \$241,480 (with \$163,170 leveraged totaling \$404,650)

## Pierce County - Construction/Highway

Foremen are in short supply in this industry and demand is expected to grow. This project is upskilling journey-level construction workers to foremen and backfill them with entry-level workers. The project is designed to: engage two businesses; train 20 existing workers for foreman responsibilities; hire 40 new jobseekers, with 25 coming from populations facing barriers. The new jobseekers will obtain one or more of the following: a high school credential, transition to postsecondary education, or an industry-recognized postsecondary certificate.

- ▶ Partners: Tucci & Sons, Lakeside Industries, Construction Center of Excellence, AGC Education Foundation, and International Union of Operating Engineers
- ▶ Grant Amount: \$250,000 (with \$149,000 leveraged totaling \$399,000)

## Lewis and Thurston County - Healthcare

This region has a high demand for healthcare services and workers. In rural parts of this region the focus will be on upskilling homecare workers to certified nursing assistants (CNAs) and backfilling with entry-level workers, with a focus on populations with barriers. In the region's urban areas, the project will upskill CNAs to acute care CNAs. Together, the project will train 65 people, including: 40 CNAs; 23 lower-skilled long-term care workers (home care aides); and two home care aide community instructors.

- ▶ Partners: Centralia College, DSHS Aging and Long Term Support Administration (AL TSA), Morton General Hospital, South Puget Sound Community College in Olympia, Providence St. Peter Hospital in Olympia, Providence Mother Joseph Care Center, New Market Skills Center, Aging and Long-Term Support Administration (AL TSA),

SEIU and the Washington Association of Community and Migrant Health Centers.

- ▶ Grant Amount: \$275,000 (with \$160,000 leveraged totaling \$435,000)

## Klickitat County - Manufacturing/unmanned aerospace vehicle

It is difficult to recruit new talent to this rural area that straddles the Washington-Oregon border in the Bingen, Wash./ Hood River, Ore., area along the Columbia Gorge. This project is upskilling workers within partner companies and backfilling with new employees, with a focus on populations facing barriers, including veterans, out-of-school youth, long-term unemployed, low income and older workers. The partner companies have committed to help grow the talent pipeline within the region. The project is designed to: engage five employers; provide upskill training for 95 current workers (with 86 receiving wage increases); and hire 67 jobseekers, with 32 coming from populations facing barriers to employment.

- ▶ Partners: Boeing-Insitu, Custom Interface Inc., Zepher Inc., Sagetech Inc., Innovative Composite Engineering, Klickitat County Economic Development Council, Clark College, Goldendale High School, Columbia High School.
- ▶ Grant Amount: \$250,000 (with \$396,053 leveraged totaling \$646,053)

## Spokane County - Healthcare

The healthcare and social assistance sector accounts for nearly one in every five jobs in Spokane County and as the population ages, demand is expected to increase. This project is upskilling medical and nursing assistants to become registered nurses and backfilling with new employees, with a focus on populations with barriers. During the course of this project, a cohort of 15 individuals will: complete courses for entry into an Associate in Nursing program; complete the first quarter in the Associate of Nursing program; and receive a promotion to nurse technician with wage increases. Participants will be supported by a: college navigator; study and tutoring lab; 3D software for study; tuition, books and fees; and support services. A total of 15 new hires are expected to backfill new openings.

- ▶ Partners: St. Luke's Rehabilitation Institute, Providence Health Care, Spokane Community College, Greater Spokane Incorporated, Greater Minds Initiative.
- ▶ Grant Amount: \$142,614 (with \$169,856 leveraged totaling \$312,470)

## Jefferson & Pierce County - Maritime/operation

This project is supporting the workforce needs of the maritime industry through the creation of career pathways for rural high school students, and providing career advancement opportunities for incumbent maritime workers. This project focused on youth populations with barriers. The Olympic Consortium and Workforce Central (Workforce Development Council in Pierce/Tacoma) are partnering with the Northwest Maritime Center to implement this maritime upskill and vocational training project. Workforce Central's role is to partner with businesses, educators, economic development specialists, community-based organizations, and government to strengthen outcomes. It has been difficult to recruit new talent to the area. Partner companies have committed to help grow the talent pipeline within the region. The expected wages for an upskill and backfill position in this sector range from \$16.18-23.84 and \$29.38-52.11 respectively.

- ▶ Training Partners: Northwest Maritime Center (NWMC), Maritime Discovery Schools, Compass Courses, Sound Experience/Schooner Adventurers, Un-Cruise, Phoenix Processor Limited Partnership.
- ▶ Business Partners: Un-Cruise, Phoenix Processor Limited Partnership; plus 30+ potential employers in the area that have worked with NWMC.
- ▶ Labor Partners: International Organization of Masters, Mates and Pilots, The Inland Boatman's Union, Sailor Union of the Pacific
- ▶ Grant Amount: \$288,216 (\$389,592 leveraged totaling \$677,809)

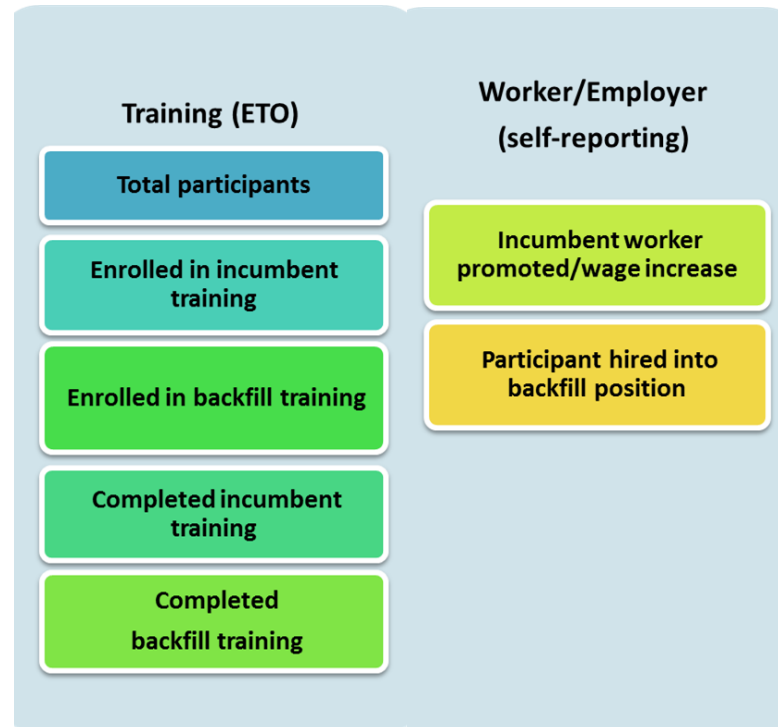
### Mid-term outcomes (June 2017 – May 2018)

Upskill-Backfill focused on key indicators to measure success. These indicators are tracked by the project team and entered into Washington's Employment Security Department's Efforts to Outcomes (ETO) customer management system. Each project team also submits a quarterly report with a narrative on the successes and challenges of implementation.

So far, the Upskill-Backfill projects have achieved one-third (32 percent) of the planned outcomes. Three projects are on-track, one project is excelling, and four projects are behind in performance outcomes. A few reasons for the underperformance are:

- ▶ Subcontractor negotiation and contract finalization
- ▶ Change in implementation partners
- ▶ Update/change of WIOA rules
- ▶ Labor/Union negotiation

## Key Indicators of Upskill-Backfill Success



### Project Participation Totals

No.	Key Indicators	Plan	Actual	Percent
1	Participant ( <b>total</b> )	895	285	32%
2	Enrolled <b>incumbent training</b>	519	166	32%
3	Completed <b>incumbent training</b>	514	156	30%
4	Enrolled <b>backfill training</b>	376	71	19%
5	Completed <b>backfill training</b>	164	42	26%
6	Incumbent <b>worker promoted/wage increased</b>	149	50	34%
7	Participant <b>hired into backfill position</b>	206	87	42%

The South Central WDC – Klickitat County Project is exceeding the planned enrollment and completion numbers by frontloading their upskilling trainings. By doing that work upfront, their business partners were able to promote 50 completed upskill trainees into higher paid positions. In the second half of the project implementation, the team will be focused on backfill training and new hire placement into vacant positions. The partnering businesses have hired 84 new backfill positions: some to backfill the vacated positions, and others due to business growth/expansion.

## MANUFACTURING IN ACTION: Columbia River Gorge project

In the Columbia River Gorge, a group of five companies in the unmanned aerial vehicles (UAV) cluster embarked on a strategy to train and promote their current employees. The companies first began offering their workers the opportunity to build on their existing knowledge. The trainings covered multiple disciplines from “Leadership” to “Certified Supply Chain Professional.” The trainings were delivered by Clark College’s Economic and Community Development Department and hosted onsite at one company’s meeting rooms. The five companies’ talent/operations representatives meet regularly with Clark College, along with representatives from their local Economic Development Council and Workforce Development Council to identify and select training courses and participants.

This project has achieved amazing outcomes and provided great impact to its businesses, employees, and the surrounding community. Since the project’s inception in July 2017 through May 2018, 99 participants completed upskill trainings in various disciplines, and of those that completed their training, 50 were either promoted or received a wage increase. Participating businesses have hired 84 new people to “backfill” some of the vacated positions.

The UAV industry is rapidly expanding, offering the Columbia River Gorge Region the prime position for this growth. These five companies, which make and manufacture these high-demand products, employ over 1,400 people in two small towns of 4,000 residents. The main obstacle holding the region back is qualified workers in their local communities. Upskill-Backfill has provided positive steps toward a sustainable mechanism to address the shortage of skilled workers. The companies have built a strong and vibrant partnership with Clark College, along with local workforce and economic development officials.

*“As an unintended benefit, taking these classes together with coworkers in an outside classroom environment has strengthened internal relationships by seeding new connections not normally experienced during daily work routines.”*

*-Feedback from an employer partner*

## Upskill-Backfill Initiative in Action: Unmanned Aerial Vehicles in the Columbia River Gorge

### ISSUE

- Limited talent pool.
- Poaching from among competing companies.
- Employee retention.

### ACTION

- Companies collaborated with one another to provide employees with common skills.
- Current employees received training to advance their skills (99).
- Promoted and/or increased wage of trained employees (50).

### OUTCOME

- Companies hired 84 new employees.
- Current employees completed industry recognized training.
- Current employees completed leadership and management training.
- Boosted company morale and retention.



## HEALTHCARE IN ACTION:

### Spokane area project

According to Chmura Economics and Analytics 2016, nearly one in five jobs in Spokane County is in the healthcare and social assistance sector. Registered Nurse (RN) is by far the most in-demand occupation by total available job postings, with over 3,000 job postings for RNs seen in 2016. Over the next seven years, approximately 1,245 RN job openings are expected for the county, with nearly 800 of those job openings created due to people leaving or retiring, and another 450 RN positions expected to be created as demand increases.

To address this issue, the Spokane Area Workforce Development Council has partnered with St. Luke's Rehabilitation Institute and Providence Health Care to train existing employees to become RNs. These employees are drawn from existing Medical Assistants (MA) and Certified Nursing Assistants (CNA). Participants were tapped not only because they were interested in advancing their careers, but because they also have a higher baseline skillset and direct experience in the healthcare industry. Working with Spokane Community College (SCC), the participants enroll into the RN prerequisite coursework and enter SCC's Associate in Nursing Program. After enrolling in the Associate in Nursing Program, participants will have the opportunity to progress into a Nurse Technician position, backfilling CNA and MA positions with new hires.

The two businesses and four subsidiaries— Providence Medical Group, Providence St. Joseph's Care Center, Providence Sacred Heart Medical Center, and Providence Holy Family Hospital—have created the infrastructure necessary to support existing employees as they seek to successfully complete the pre-requisite coursework. The employers have provided flexible scheduling, work release time, and tuition reimbursement to assist their employees to be successful. The Human Resource professionals at these businesses are dedicated and invested in supporting the success of their employees through this project.

Career coaching is helping employees successfully train for new positions and opportunities. The project hired a career coach to provide a single point of contact for the participants. The career coach has assisted with college enrollment, payment logistics, class communication, homework/study coordination, and even the purchasing of books and parking permits. The career coach has also provided participants with other resources, including childcare, transportation, and other emergency assistance funding. This person helps the participants balance their demanding life, work, and school requirements.

## Upskill-Backfill in Action: Healthcare in Spokane

### ISSUE

- **High demand - Rapid growth.**
- **Limited talent pool.**
- **Unfilled positions.**

### ACTION

- **Provided upskill training (a pathway) to existing employees.**
- **Contributed schedule flexibility, work release, and funding.**
- **Hired a career coach.**

### OUTCOME

- **Achieved high academic standards.**
- **Completed rigorous nursing pre-requisite coursework.**
- **Increased company morale and retention.**

“If they work full time and they go to school, it is very hard for them to get to campus and so they are able to contact me with questions and concerns. I can go out and research the information and find the answers, then get back to them, and that saves them a lot of time.  
-Career Coach, Spokane Upskill-Backfill Project”

## INITIAL LESSONS LEARNED

### The model

#### Clear and strong partnership

The Upskill-Backfill model thrives when applied within a specific industry as part of a sector partnership, building connections and networks between companies. These companies regularly meet to develop protocol that includes clear expectations that training will lead to advancement for their workers. The partnership also requires a mutual understanding of the skills needed for upskilling existing employees and skills needed for entry-level workers.

#### Direct employer involvement a key feature

The Upskill-Backfill model is building a workforce pipeline by upskilling existing employees, promoting them after they've completed their training (or gained a defined competency), and backfilling their open position with new workers. Companies and educators need to be clear about what demonstrates mastery of skills or knowledge, and in what format (tests, letter grades, or certificates). Employers also should be clear about their commitment to employees who successfully complete a training program.

#### Dedicated support person helps remove barriers

A dedicated support person who can help participants is crucial. Workers often juggle jobs, families, and other duties, in addition to taking on new skills. A supportive HR professional or career coach (case manager) can fill this support role. These professionals helped Upskill-Backfill participants in a variety of ways—from requesting schedule changes to finding childcare. These services helped participants carve out time to do homework or attend classes.

### Implementation Challenges

#### Data reporting issues using the current public system

The ETO (Efforts to Outcomes) customer management system for reporting workforce data is currently being overhauled. Right now, the system's limitations have created data collection barriers. There has also been confusion among project implementation teams about who is responsible for inputting this data. In some cases, teams have not reported their data in a timely fashion. In other instances, teams needed to be reminded by the state's Employment Security Department and the Workforce Board to provide the data. Businesses and industry organizations providing training are unfamiliar with the public data system and often enter incomplete data. The current ETO system is also unable to capture key details, such as which employer the participant works for, a record of the participant's promotion/wage increases, and who backfilled their positions. These data points are currently collected by the project team and rely on

partnering businesses to self-report. As ETO is currently being revamped/replaced, feedback will be provided to the design team on data elements needed for incumbent workers as one way to address this issue.

#### Federal dollars provide funding challenges

The first round of the Upskill-Backfill projects received nearly \$1.6 million from the Governor's Statewide Activities Fund. These flexible, "discretionary" dollars are provided to the state through the federal Workforce Innovation and Opportunity Act (WIOA), and are subject to the same conditions required under the federal act. In particular, WIOA funds contain limitations on the amount of money that may be used to serve out-of-school vs. in-school youth. Both the Workforce Board and the Employment Security Department identified changes between the Workforce Investment Act and WIOA, but did not realize youth eligibility rules were extended to discretionary funds being used for innovation projects. This change wasn't apparent when dollars were initially distributed to the seven projects. (Previously, under WIA, "demonstration" projects were not subject to the same eligibility limitations). Not only did questions over youth eligibility threaten to derail two projects that were seeing signs of success, the uncertainty over the affected programs' futures potentially harmed relations with their business community partners. Business partners found the eligibility requirements intrusive and damaging to projects they were building and testing with workforce system partners. The Workforce Board requested a waiver from the U.S. Department of Labor that would open the door to projects that serve a broader cross section of youth, or at the least, allow current Upskill-Backfill projects to continue. It's unclear at this time, whether a waiver will be granted.

#### Partners/agencies need to clarify roles, responsibilities

Partner roles and responsibilities need to be clear at all levels of the Upskill-Backfill Initiative. Project teams comprised of Workforce Development Councils, Economic Development Councils, businesses, community-based organizations, education providers, such as community colleges, labor unions, and WorkSource, must identify their own roles, while also understanding the role of partners, and how to effectively work together. At the state level, having two agencies co-manage the project has been challenging at times, as both agencies sometimes have unintentionally overstepped their roles out of a desire to provide quicker customer service for the project grantees. At times, some project partners said they received conflicting messages about project parameters, WIOA eligibility, and workforce data reporting. Going forward, both agencies will clearly define their roles and responsibilities as part of the RFP process.

## CONCLUSION

At the one-year mark, the eight Upskill-Backfill projects are showing mixed results. Three projects are on track, one project is exceeding its goals, and four projects are behind in performance outcomes as projects reach their mid-point. The four projects that are on track or exceeding expectations have some similarities. Their business partners are directly involved in training design, participant selection, and removing barriers for their employees, who are often juggling jobs, families, and the challenge of taking on additional education and training. Employers have helped their employees gain new skills and experience by providing work release time and scheduling changes. Another similarity among these successful projects is having a dedicated person to help employees navigate between full-time work, family life, and being a student. Some employers have assigned an HR professional to help participants. Other employers have provided a career coach or case manager to guide their employees. All are a phone call or an email away, ready to help the participant succeed.

Although this project is at the half-way point and some projects have yet to meet their targets, it's clear the Upskill-Backfill Initiative holds great promise as a model to address Washington's workforce challenges in "upskilling" employees to help them move ahead, while giving new workers the chance to "backfill" into the entry-level roles that are left behind. In particular, this initiative is helping businesses advance their employees as their workforce ages, and senior staff retires. This model is also helping employers in rural areas tap the full talents of their existing workforce in places where the labor pool is small, education opportunities are limited, and recruiting new workers can be challenging.

Ultimately, businesses can't succeed without a workforce that has the right skills and talent. As technology advances on an ever faster cycle, businesses need to create a "learning culture" that helps their employees regularly update their skills to keep pace with these changes. The Upskill-Backfill Initiative is helping create new learning communities across the state, and helping businesses and workforce partners share a learning culture, along with solid tools to boost employee productivity and career advancement. This will help Washington's businesses, workers, and communities across the state remain competitive, and thrive.

## ABOUT THE WORKFORCE BOARD

The Workforce Board is a state agency that monitors and evaluates the state's key workforce programs and also provides leadership on policies that help all Washington residents get the education and training they need to obtain living-wage jobs.

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