

Appendix A

Site Visit Highlights from Generation I WIRED Regions¹

- West Alabama – East Mississippi (WAEM) WIRED
- California Innovation Corridor
- Metro Denver WIRED
- WIRED Northwest Florida Initiative
- North Central Indiana (NCI) WIRED
- Kansas City WIRED
- North Star Alliance
- Mid-Michigan Innovation Team
- WIRED West Michigan
- Montana Agro-Energy Plan
- Finger Lakes WIRED
- Piedmont Triad WIRED
- Wall Street West WIRED

¹ The descriptions that follow reflect the status of the Generation I WIRED regions as of summer 2007.

Early Implementation of Generation I WIRED Initiative
2007 Site Visit Highlights
WIRED Initiative for West Alabama – East Mississippi (WAEM)

Introduction

The WIRED Initiative for West Alabama – East Mississippi (WAEM) aims to transform an economically depressed, mostly rural area into an Enterprise-Ready region that is recognized for its integrated entrepreneurial and economic development system, collaborative partnerships, and credentialed workforce. WAEM has four goals for economic transformation, and has organized its key partners into committees to develop activities that address each goal:

1. Stand up and embed the capacity to identify key assets and strengths, target opportunities, and recruit champions to build an Enterprise-Ready region;
2. Cultivate community and regional entrepreneurship;
3. Credential, certify, and transform to a regionally-branded workforce; and
4. Engage K-12 schools and youth development programs in regional branding and Enterprise-Ready activities.

The WIRED grantee and fiscal agent is the Alabama Department of Economic and Community Affairs (ADECA) Office of Workforce Development (see Figure A 1). Operationally, WAEM is led by The Montgomery Institute (TMI), a not-for-profit organization located in Meridian, Mississippi. The Grant Director is an employee of the Mississippi Development Authority (MDA), detailed to TMI. The Governors of both Alabama and Mississippi are the Co-Leaders of the WAEM team. A Governing Commission (four members from Alabama, four from Mississippi, and the President of TMI, who serves as convener) provides oversight and policy direction. Commission members represent the region's economic development organizations, businesses, community colleges, workforce development entities, and local school districts.

WAEM's principal partner organizations are the eight community and junior college districts, four in Alabama and four in Mississippi, the boundaries of which define the WAEM region. TMI staffs the four goal committees, which are co-chaired by two of the community college presidents, one from Mississippi and one from Alabama. Membership includes the Workforce Development Directors from two different community colleges (again, one from each state), as well as educators, employers, training providers, and local workforce investment staff.

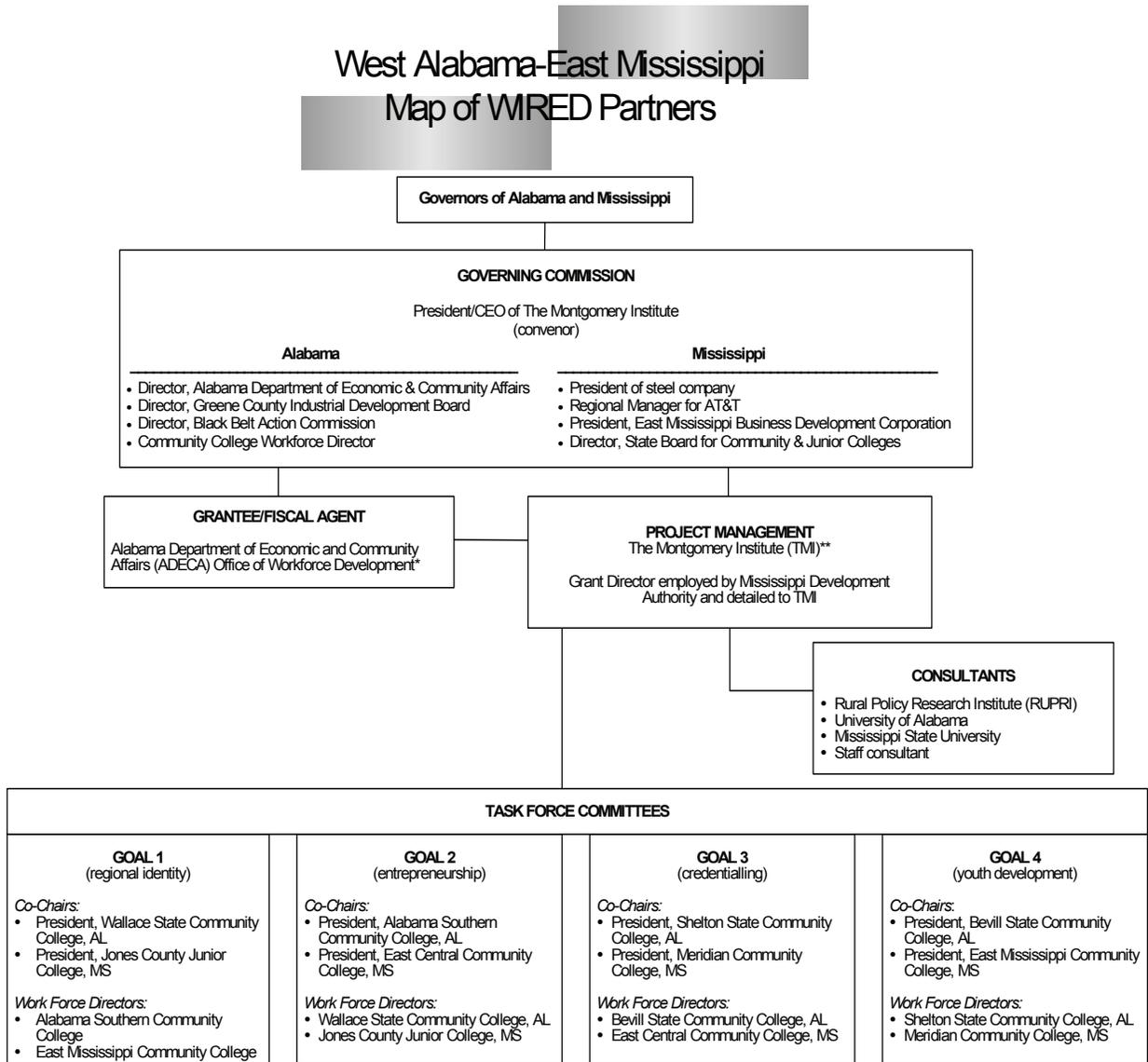
Staff from TMI and the community colleges implement WIRED activities. Each college has three grant-funded positions: a Workforce Development Director (an existing position to which WIRED allocates \$12,000 per year); and two field staff – one person for Goal 1 and one for Goal 2 – whose positions were created for WIRED. The Workforce Development Director is responsible for directing the field staff in achieving WIRED leadership and entrepreneurship goals in their college districts, in addition to coordinating other WIRED-related activities, such as adult education, trade and industry programs, and short-term courses.

Key Issues

Readiness for Collaboration

In 2002, TMI established the Commission on the Future of East Mississippi and West Alabama as a regional decision-making body made up of economic development, education, and political

Figure A 1



*ADECA contracts with each of the eight community colleges for WIRED staff and activities. In addition to contracting with TMI, ADECA also contracts with the Mississippi Development Authority for the services of the WIRED Grant Director.

**TMI contracts with RUPRI for specialized technical assistance on rural entrepreneurship and place-building; the University of Alabama and Mississippi State University for research; and a senior staff consultant.

leaders from both states. Several initiatives designed to facilitate regional collaboration followed, such as efforts in 2005 and 2006 in both states to form a joint economic development authority in the border counties. A number of informal collaborations existed in the region prior to WIRED, as did several formal ones, such as the consortium formed by the Mississippi and Alabama community colleges, and the Mississippi Entrepreneurial Alliance.

Partnerships

In addition to formal (contracted) partners, WAEM has numerous informal partners in the region, including: university/college coalitions; regional commissions; economic development

organizations; businesses such as Alabama Power, Mississippi Power, Comcast, and Mediacom; the Mississippi Manufacturers Association; state and local WIBs; entrepreneurs, including the Mississippi Entrepreneurial Alliance; the Mississippi Band of Choctaw Indians; and foundations.

Rural Entrepreneurship and Leadership Development

WAEM is currently implementing rural entrepreneurship and leadership development activities following models developed by the Rural Policy Research Institute (RUPRI). These activities include holding community retreats and coaching local civic and business leaders in developing and committing to a plan for becoming Enterprise-Ready. WAEM also held roundtables around the region, in which community leaders discussed their goals for the area's transformation into an Enterprise-Ready Region. The two Governors convened a Regional Summit in May 2007 to prioritize the region's goals for economic development and to determine how to develop the regional assets identified through WAEM's asset mapping and implementation activities. A key event at the Summit was a "super roundtable" of representatives of all of the earlier roundtables.

Challenges

Regional Identity

The Alliance partners worked together and conceptualized the area as a region prior to the WIRED Initiative. Development of a regional identity was based on previous work by the Mississippi Institute, including the launch of the Mississippi Entrepreneurial Alliance, a regional/state Economic Development System (EDS) that includes a virtual resource directory and enterprise advisor. In addition, policymakers from both states began pushing legislation to form a joint economic development authority for the border counties of Mississippi and Alabama, although this vision was not widely shared by in the region. Achieving the beginnings of a shared vision and recognition of the two-state area as a region has been a long, slow effort.

Readiness for Collaboration

The different agency arrangements and policies of the two states make collaborating across the state line extremely difficult. For example, the workforce investment systems in Alabama and Mississippi differ greatly in structure and administration. The state of Alabama has two workforce agencies, ADECA, the grantee and fiscal agent for WAEM, and the Department of Industrial Relations, responsible for non-WIA DOL programs (but a core partner in Alabama's WIA system). In Mississippi, responsibility for the workforce investment system was moved several years ago from MDA, which is a formal, contracted partner in the WIRED initiative, to the Mississippi Department of Employment Security, which is not. Collaboration among the community colleges in the two states is equally complicated. The Alabama community college system is state-run, under a strong Chancellor, while colleges in Mississippi are locally run, with state coordination. Furthermore, both college systems tend to be very competitive with each other. Despite work done to address these barriers, many challenges to collaboration remain.

Administration

Key individuals from several of the partner organizations have left since the WIRED grant started. The President of TMI, one of the main proposal-writers and the first person to serve as Grant Director, left TMI a few months after the grant was awarded. Shortly after that, the Chancellor of the Alabama College System was fired for malfeasance. The President of the community college that took the lead in writing the WAEM proposal and the previous ADECA Director, a member of the Governing Commission, also left their positions. While these

departures do not appear to have caused significant delays in implementing WIRED, changes did need to be made in certain implementation plans, such as those that involved accessing expected funds from the Alabama College System that were no longer available.

Involvement of the Workforce Investment System

TMI has focused on collaborations among the colleges and the “rollout” communities for Goal 1. As a result, comparatively few well-developed partnerships have been formed in other areas. In particular, the state and local workforce investment systems in both states have had relatively little involvement in the WAEM grant to date, and effective collaboration among the full range of WIRED partners remains a challenge.

Pace of Implementation

RUPRI’s models for rural entrepreneurship and leadership development call for a relatively slow process of bringing members of a community together in civic engagement activities over time to achieve the community’s adoption and implementation of a plan for becoming Enterprise-Ready. Largely as a result of following these models, progress for the grant has been slower than desired for certain important stakeholders, including the Governors (expressed at the Regional Summit in May) and several members of the Governing Commission.

Successes

Collaboration

WAEM has established numerous effective mechanisms to stimulate and reward collaboration, such as using a committee structure that ensures communication and committee participation across all of the college partners, and conducting meetings and events in locations across the two states in order to promote collaboration and regional identity. The workforce development staff at the community colleges have cultivated a strong interpersonal network across state lines, and have developed a variety of means of working together to achieve both the individual goals of their colleges and the overall goals of the WIRED initiative. The community college presidents also meet periodically as a group to foster regional identity and coordinate committee work.

Credentialing

Reflecting the WAEM initiative’s strategy of utilizing the region’s community colleges as its workforce delivery system, TMI has allocated most of its funds for WIRED activities to Goal 3, development of a credentialing/certification mechanism within the region. WAEM influenced the State of Mississippi to adopt a Career Readiness Program similar to Alabama’s WorkKeys, and successfully developed its own regional advanced manufacturing credential, the 3M (Modern Multi-skill Manufacturing) Credential, based on authentic assessment of skills. WAEM intends to develop talent and brand the regional workforce by building on the basic career preparation credential with the advanced manufacturing skills credential. At the time of the site visit, TMI had requested preliminary feasibility and cost information from potential vendors in order to develop a request for proposal and put a contract to implement the credential out for bid.

Leveraged Resources

WAEM reported obtaining \$300,000 from the Phil Hardin Foundation of Meridian, Mississippi to provide a Youth Entrepreneurial Training program. In addition, WAEM received \$250,000 from the Appalachian Regional Commission to leverage its Goal 1 activities by performing

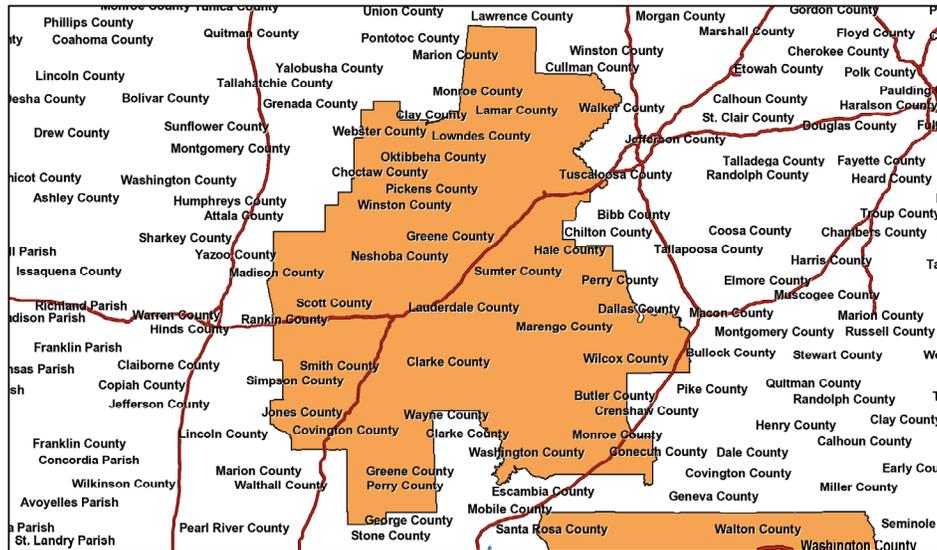
community-based asset mapping in three counties in collaboration with Mississippi State University. WAEM also receives what it calls “entrepreneur support” from the Mississippi Technology Alliance and the Alabama Entrepreneur Research Network.

Leadership Development

WAEM has successfully rolled out leadership development activities in eight communities in the region, bringing together civic and business leaders in “rural place-building.”

Regional Facts

**Figure A 2
Regional Map**



List of Counties:

Mississippi, 19 counties: Clay, Oktibbeha, Winston, Leake, Scott, Smith, Covington, Lowndes, Noxubee, Neshoba, Newton, Jasper, Jones, Perry, Greene, Wayne, Clarke, Lauderdale, Kemper
Alabama, 18 counties: Lamar, Fayette, Walker, Pickens, Tuscaloosa, Greene, Sumter, Hale, Perry, Dallas, Marengo, Choctaw, Clarke, Wilcox, Marion, Monroe, Lowndes, Conecuh

Boundaries of Region:

The region is built around the boundaries of four community college districts in Alabama and four in Mississippi.

Urban vs. Rural:

The region is largely rural, with two small urban areas, Tuscaloosa, AL and Meridian, MS.

Demographics:

The Alliance WIRED region represents about 18% of Mississippi’s population and 12% of Alabama’s. The region’s population density (39.5 people/sq mile) is far less than the average for both Mississippi (59.7) and Alabama (86.1).

**Figure A 3
Demographic Details**

| Measure | Regional Average | County Range | |
|-------------------------------|------------------|--------------|----------|
| | | High | Low |
| Educational Attainment | | | |
| High School Diploma | 32.2% | 38.3% | 21.7% |
| Post Secondary Degree | 19.6% | 39.9% | 11.8% |
| Per Capita Income | \$14,877 | \$18,447 | \$10,514 |
| Median Age | 34.5 | 39.0 | 24.8 |
| Unemployment Rate | 7.8% | 15.2% | 5.1% |

Site Visit Details

Date of visit: July 10-13, 2007

Site Visitors: Kay Magill, BPA; June Chocheles, UCSD

Site Visit Respondents:

- Bill Crawford, WAEM Grant Director, Mississippi Development Authority (assigned by the Governor of Mississippi to The Montgomery Institute)
- Bill Scaggs, President/CEO, The Montgomery Institute
- Mason Bonner, Associate Director, Shelton State Community College, Tuscaloosa, Alabama
- Chris Reed, Associate Director, The Montgomery Institute
- Jim Lott, Consultant, The Montgomery Institute
- Bill Johnson, Director, AL Department of Economic and Community Affairs (ADECA)
- Steve Walkley, Division Director, ADECA Workforce Development Division
- Ken Hollingsworth, ADECA Workforce Development Division
- ADECA fiscal, monitoring, and contract management staff: Bill Hornsby; Melody Kooranje; Mickey Hutto; and Ben Barnes
- Wanda Land, Director, Office of Grant Management, Mississippi Department of Employment Security (MDES)
- Phyllis Kennedy, Director, Alabama Department of Industrial Relations
- WAEM Governing Commission members: Tommy Dulaney, President, Structural Steel, Inc. and President, Mississippi Manufacturers Association; C. D. Smith, regional manager for AT&T and Chair of the TMI Board of Directors; and Wade C. Jones, President, East Mississippi Business Development Corporation
- James Mitchell, President, Wallace Community College, Selma, Alabama
- Joann Jordan, Interim President, Shelton State Community College, Tuscaloosa, Alabama
- Susan Miller, Workforce Development Director, Shelton State, Tuscaloosa, Alabama
- Raj Shaunak, Workforce Development Director, East Mississippi Community College, Mayhew, Mississippi
- Charles Ireland, Workforce Development Director, Beville State Community College, Sumiton, Fayette, Hamilton, and Jasper, Alabama

Early Implementation of Generation I WIRED Initiative
2007 Site Visit Highlights
California Innovation Corridor

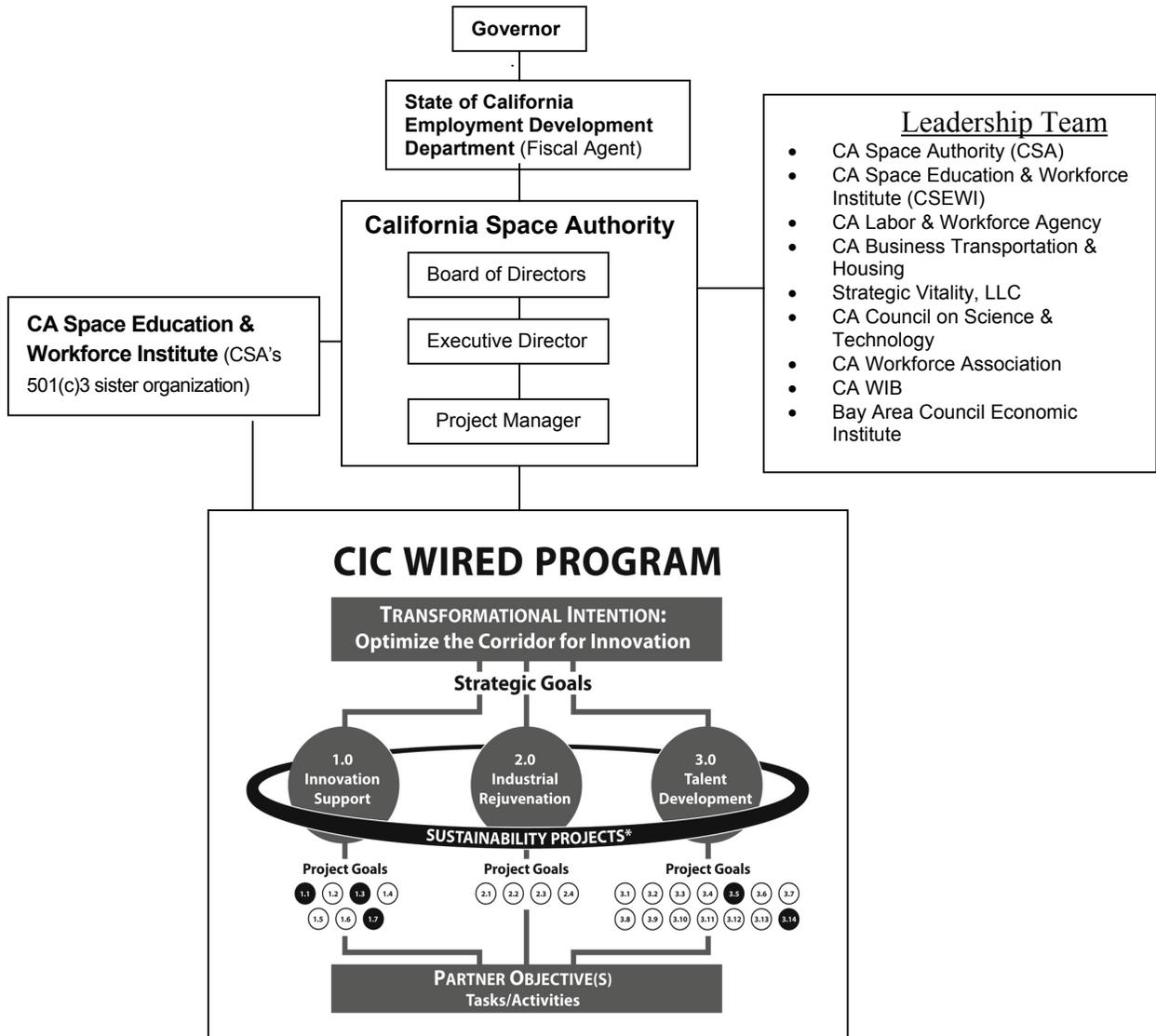
Introduction

In response to evidence that California is losing its global competitiveness, the California Corridor aims to optimize the entire Corridor for innovation and 21st Century workforce competitiveness through the integration of education, workforce, and economic development systems/innovation strategies. To address these regional economic challenges, the California Corridor has three strategic goals:

- 1. Innovation Support** – Create new companies and high-skill, high-wage jobs by designing a replicable and sustainable “innovation support architecture” to increase innovation and entrepreneurship and create an atmosphere in which the culture, environment, and systems are characterized and driven by robust innovation and flourishing entrepreneurship. California Corridor has seven projects designed to support an innovation-driven ecosystem that aligns resources, enhances knowledge, accelerates linkages, and integrates programs and support across domains and jurisdictions throughout the region.
- 2. Industrial Rejuvenation** – Improve the international competitiveness of the region’s supply chain by developing and executing a “Smart Supplier Strategy” that supports manufacturers, small businesses, and entrepreneurs in adapting to global manufacturing markets. California Corridor has four projects designed to ensure common “smart supplier” competitiveness and enterprise-driven outcomes across the supply chain provider/support network.
- 3. Talent Development** – Accelerate development of a highly-skilled 21st Century talent pool by creating pilot projects and activities to support a continuum of math, science, and engineering education (K-U), and lifelong learning relevant to the 21st Century worker. California Corridor has 14 projects which together are designed to integrate a focus on current and future industry enterprise needs into workforce and educational planning and policymaking, and promote responsive, flexible education/workforce systems which anticipate and respond to global market changes and workforce needs with continuity across systems.

California’s Employment Development Department (EDD, the state’s workforce investment agency) serves as the WIRED fiscal agent. The California Space Authority (CSA), dedicated to facilitating California's competitiveness within the aerospace industry, manages the WIRED grant. In addition to the Project Lead at CSA and about a dozen staff at CSA and CSEWI (CSA’s sister organization that focuses on talent development for the aerospace industry), the region’s efforts are supported by a Leadership Team made up of core partners, which serves primarily in an advisory role to the grant (see Figure A 4). Each of the California Corridor’s 25 funded projects has an assigned Project Liaison from either CSA or CSEWI. Each project may also have a Project Lead from among the various project partners. In addition to regular conference calls and webinars, twice a year all of the Project Leads meet to share information about their projects and promote synergy between their projects. Occasional all-partner meetings supplement the Project Lead meetings.

**Figure A 4
California Innovation Corridor Partner Map**



* This Project Integration Protocol shows the relationship between the 25 projects (called here “Project Goals”) and the three Strategic Transformational Goals. Sustainability projects support both a strategic transformational goal and also the greater California Corridor WIRED grant effort as a whole. Sustainability projects include: 1.1 (Economic Development Toolkit), 1.3 (Innovation Asset Inventory), 1.7 (WIB Toolkit), 3.5 (K-U STEM Collaboration Action Plan), 3.14 (Learning Collaboratory).

Key Issues

Regional Identity and Size

The California Innovation Corridor covers an area as large as most states, and rather than being a single regional economy, is really a region of regions. As economic development in California has moved toward thinking regionally, the existing regional economies are gaining visibility and attention. Rather than focus a great deal of energy developing a regional identity for California Corridor, the WIRED leadership has promoted cross-fertilization across different regions within the corridor. The size of the California Corridor region, its ambitious goals, and 25 different projects all involving multiple partners are both its strength and its major challenge. Enlisting

over 70 partners, coordinating all the different multi-partner initiatives—each of which has a transformational focus—and developing and maintaining a common vision across over 70 partners, provides tremendous opportunity and is also difficult to accomplish.

Partnerships

California Corridor has an ever-growing number of participating organizations and has identified four different types of participants: **partners** linked to specific projects for completion of specific tasks (including over 40 funded partners and more that are not funded through the grant); **supporters** providing specific project support; **collaborators** working on project teams in support of a task; and **affiliates** who provide support and endorsement of California Corridor WIRED objectives.

Sustainability

All of California Corridor’s projects are intended to be transformational in nature with the intention of not only bringing about new partnerships and organizational linkages, but also creating models, methods, systems, procedures, or products that will outlive the grant period. Beyond the individual projects themselves, however, CSA has also built into its design three major strategies to specifically address long-term sustainability of project successes:

1. Among the region’s 25 projects are three key sustainability projects, one for each major system involved in the initiative (economic development, workforce investment, and education). These efforts are creating information resources and interactive portals that will include products, toolkits, and lessons learned across projects;
2. The key to ensuring the long-term usefulness of these sustainability portals is to institutionalize their use. The California Workforce Association (CWA) is incorporating lessons from WIRED into its materials for WIBs throughout the state. CSA is beginning discussions with the CA Labor Agency, which oversees the activities of the CA Economic Strategy Panel as well as those of CALED (a statewide economic development association), to encourage incorporating California Corridor’s economic development model and toolkit into ongoing initiatives and professional development for CALED’s members. The collaborative process used for developing the STEM Collaborative Action Plan (STEMCAP) is designed to promote the adoption and use of the plan by the state’s educational institutions.
3. CSA has established a “Resource Development” Task Force with representation from ETA, CA WIB, CWA, California Polytechnical University at San Luis Obispo, and MESA (Mathematics, Engineering, Science Achievement) to identify the resources needed to address WIRED sustainability funding.

Challenges

Administration, Management and Communications

A number of the challenges encountered by California Innovation Corridor have been largely administrative, including the contracting process, project leadership, and internal and external communications.

- The process of contracting with CSA and then with sub-recipients was very challenging. Two significant contracting barriers emerged with several partners: intellectual property rights; and the \$500 per day limit on consultant fees. Another challenge was the lack of a

template to use (or guidance on what needed to be included) in developing the scopes of work for the 25 projects.

- Each project was assigned a Project Lead from among its participating partners. In some cases, the lead was an individual or organization with whom CSA already had a strong prior working relationship. In others cases, the lead was chosen for knowledge or experience, and in others, leads were chosen strategically to ensure maximum engagement of key partners. Not every Project Lead has turned out to have the necessary skills to facilitate collaborative work processes and develop effective partnerships, however, resulting in some projects getting a slower start and requiring a stronger CSA/CSEWI leadership role than others. One problem identified early on was the tendency for team leads to develop their own goals without seeking the input of the entire team. With CSA's encouragement, they are now recognizing the need and the value of soliciting input from all of the team partners.
- CSA staff put much of their time and resources into communications including email, conference calls, webinars, meetings, and a collaborative online workspace. Even so, building a common vision of where each initiative fits in the California Innovation Corridor initiative, and maximizing sharing of resources and knowledge across such a large group, has been challenging. CSA established a Project Leads Group to facilitate communications between projects; nonetheless, some project teams communicated largely within themselves, and others have numerous non-WIRED project participants, making communication through the collaborative workspace problematic. InnovateCalifornia.net and the success story website element are providing a good potential solution to address this, but profiling every project and partner is problematic. CSA has hired a contractor to collect successes and information across projects. CSA is also engaged with the California Workforce Investment Board in their transformation processes, ensuring that the lessons from WIRED are incorporated into their work.

Involvement of the Workforce Investment System

One of the region's biggest challenges has been to maximize the continuity and regularity of WIB engagement. At the proposal stage, California Corridor engaged certain WIBs in specific projects, but in light of DOL's emphasis on transforming the workforce system, California Corridor has shifted some of its focus to a much larger-scale effort to change workforce systems. A key aspect of that effort has been working with CWA to incorporate the WIRED/Innovation agenda into all CWA activities; recognizing the current range of levels of sophistication across the WIBs in the Corridor and the lack of a common language and set of tools for local workforce activities.

Development of the STEM Collaborative Action Plan

California Corridor's most ambitious STEM project, developing the STEMCAP, has faced major challenges, including competitiveness among education stakeholders, inexperience in collaboration, the perception that education/academia and industry have different agendas, the perception that the chief role of industry should be to provide funding rather than input, the impact of informal science community leverage of STEM efforts, and political issues around the potential systemic changes needed. These challenges are being addressed through a carefully facilitated, extensive collaborative planning process.

Successes

Partnerships and Collaboration

California Corridor has noted many successes in bringing new partners together to collaborate successfully on WIRED projects. These partnerships are leading to enhanced long-term relationships between systems, between regions throughout the corridor, and between organizations within systems. Respondents from a number of these organizations report that they plan to sustain these relationships beyond the WIRED grant period. For example, the pairing of WIBs and economic development entities on specific projects is fostering better understanding of the economic development community among WIBs, and of the workforce community within economic development agencies. In addition to the “marriages” that CSA helped to foster in the design of the various projects, some projects have recruited new partners along the way.

Asset Mapping

California Corridor calls its asset mapping document the “Innovation Asset Inventory.” Since the focus of the California Corridor is on an innovation economy, the focus of the inventory is on resources to support innovation. A collaborative effort involving 15 partners across the Corridor, the document includes profiles of 272 assets, including: 1) federal/military research laboratories and centers; 2) academic/educational laboratories and centers; and 3) private industry technology research and development resources. The profiles are available through a web-based California Corridor Innovative Assets Portal, designed to be continuously updated and expanded by users.

Leveraged Funds

California Corridor has been successful in documenting \$1.5 million in leveraged funds and resources so far, but many of its partners have not yet reported their contributions. The leveraged resources reported as of the time of the evaluation visit consisted of roughly equal parts in-kind and cash. In-kind contributions were mostly staff time, travel expenses, and use of facilities for participation in projects and events. Leveraged funds were primarily used for entrepreneurship classes, STEM education for at-risk youth, and developing 1,200 company profiles for the supply chain project. The Resource Development Task Force is actively pursuing a variety of sources of additional funding, and California Innovation Corridor partners, collaborators, supporters, and affiliates continue to contribute substantial resources to the effort.

Identification of Accomplishments

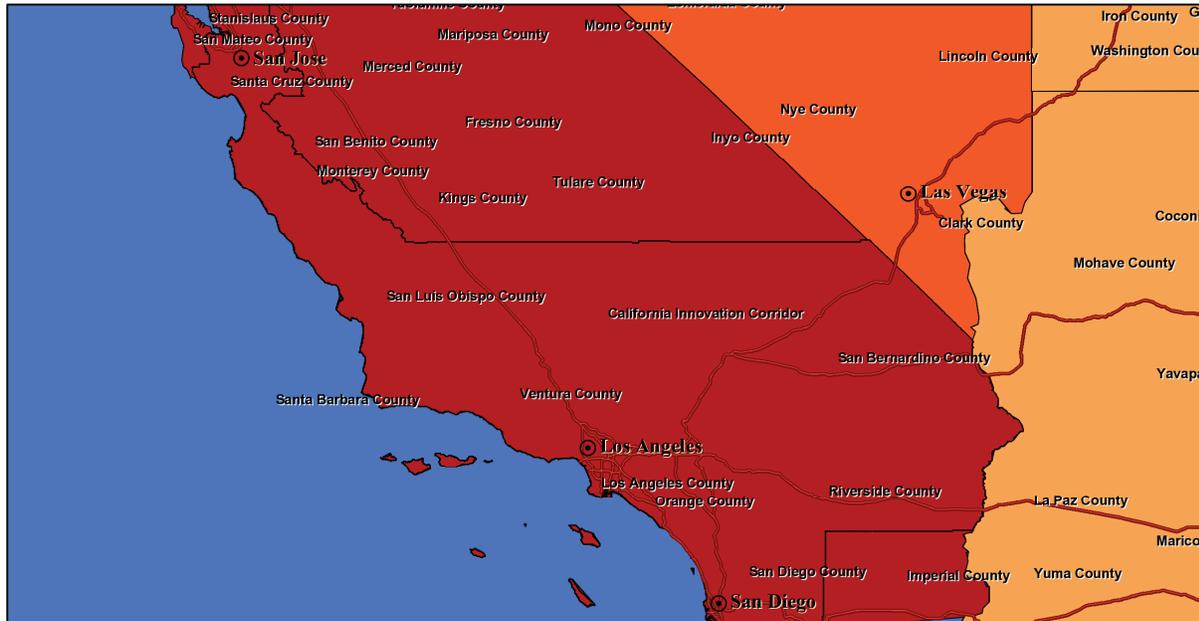
With the help of a contractor, California Corridor is identifying success stories and accomplishments across all of its projects. This process has encouraged project teams to be reflective about what they are doing and what specific outcomes, successes, and experiences they have had so far that others might learn from. California Innovation Corridor currently has over 86 accomplishments posted on its website at <http://innovatecalifornia.net/success/search/results/list/all#three>.

Regional Facts

List of Counties:

Alameda, Santa Cruz, Santa Clara, Monterey, San Luis Obispo, Kern, Santa Barbara, Ventura, Los Angeles, San Bernardino, Orange, Riverside, San Diego

**Figure A 5
Regional Map**



Boundaries of Region:

From Alameda County in the north to San Diego south, flowing east in southern California to encompass the Antelope Valley and the Inland Empire, the 13 counties in the Innovation Corridor are home to key U.S. innovation, entrepreneurial, manufacturing and security infrastructures.

Urban vs. Rural:

While the region contains the largest urban areas in the state – Los Angeles, San Diego, and San Jose – it also holds some relatively rural areas.

Demographics and Variation Across the Region:

The WIRED region represents about 70% of California’s population. The regions population density (415.6 people/sq mile) is almost twice of the state’s density overall. The region contains California’s most populous county, Los Angeles (9,519,330). San Luis Obispo County has the smallest population in the region (246,681).

Site Visit Details

Date of visit: September 4-7 and 17-21, 2007

Site Visitors: Linda Toms Barker, BPA; Josh Shapiro, UCSD

Site Visit Respondents:

- Terry Bergman, Research Director, San Diego Workforce Partnership
- Mitch Boretz, Technical Communication Specialist, University of California, Riverside
- Mark Christiansen, Business Intelligence Manager, Riverside County Economic Development Agency

**Figure A 6
Demographic Details**

| Measure | Regional Average | County Range | |
|-------------------------------|------------------|--------------|----------|
| | | High | Low |
| Educational Attainment | | | |
| High School Diploma | 19.6% | 25.4% | 15.9% |
| Post Secondary Degree | 33.7% | 41.7% | 20.0% |
| Per Capita Income | \$22,017 | \$32,349 | \$14,856 |
| Median Age | 32.7 | 37.4 | 30.4 |
| Unemployment Rate | 6.9% | 11.8% | 3.9% |

- Sandra Clark, Director, Corporate Outreach, On-Site Training and Services, University of California Extension, Santa Cruz
- Victoria Conner, Principal, Strategic Vitality LLC
- Daphne Dador, Project Manager, California Space Education & Workforce Institute (CSEWI)
- Jo Marie Diamond, Vice President, San Diego East County Economic Development Council
- Sally DiDomenico, Vice President, Bay Area Council Economic Institute
- Kenneth Dozier, Executive Director, USC Veterbi School of Engineering - Western Research Application Center
- Chuck Flacks, Policy Analyst, San Diego Workforce Partnership
- Virginia Hamilton, Director, California Workforce Association
- Barbara Halsey, Executive Director, California Workforce Investment Board
- Doug Henton, President, Collaborative Economics
- Deborah Hirsh, Executive Director, California Space Education and Workforce Institute
- Fran Kennedy, Director of Industry Initiatives, California Labor and Workforce Development Agency
- Jeanette Langdell, Employment Training Manager, NOVA
- Richard Mains, President/CEO, Mains Associates
- Steven Narolewski, U.S. DOL/ETA, Pacific-Western Region
- Christine Pence, Director, Workforce Innovation Programs, University of California, Riverside
- Nick Pelster, Technical Director, California Space Authority
- Christine Purcell, Manager, Industry Workforce & Manufacturing Development, CSA
- Donna Riordan, Program Director, California Council on Science and Technology
- Jeff Ruster, Executive Director, Work2Future, Silicon Valley Workforce Investment Network
- Andrea Seastrand, Executive Director, California Space Authority
- Wayne Shell, Executive Director, California Association for Local Economic Development
- Judy Turner, Director, Programs and Partnerships, California Space Authority
- Ray Wells, Manager, Technology, California Space Authority
- Jane Zinner, Principal, Affiliation of Regional Collaborations for Heightened Educational Success

Early Implementation of Generation I WIRED Initiative 2007 Site Visit Highlights Metro Denver WIRED

Introduction

The goal of Metro Denver’s WIRED initiative is to solve the “Colorado paradox:” the region’s workforce is highly educated overall, but native residents tend to lag behind the nation in high school graduation rates, college attendance, and acquiring science and math skills.

The region is made up of the counties of the Denver metropolitan area. The Metro Denver Economic Development Corporation (MDEDC), a public-private partnership between the Chamber of Commerce and 63 regional municipalities, is the organization leading the WIRED initiative. MDEDC was chosen to be the grant manager because all of the counties of the region are represented in the organization.

Metro Denver WIRED is led by Metro Denver Economic Development Corporation, a public-private partnership between the Chamber of Commerce and 63 regional municipalities. The High Skills Leadership Council oversees the WIRED initiative. The Council’s 16 members also serve as co-chairs for each of the eight panels of the High Skills Innovation Network. Four “demand-side” panels represent the region’s key industry sectors (aerospace, bioscience, energy, and information technology). The four “supply-side” panels represent K-12 school districts, higher education, the workforce investment system, and local small businesses. The panels are charged with a) conducting an employer needs assessment (on the demand side), and b) identifying existing education and training programs that prepare students for high tech jobs, and identifying and addressing gaps in these programs (on the supply side). The remaining key partners are ten “JumpStart” grantees, receiving \$3.7 million in WIRED funds for 18 months of talent development activities. Figure A 7 is a map of partner roles in Metro Denver WIRED.

Key Issues

Regional Identity

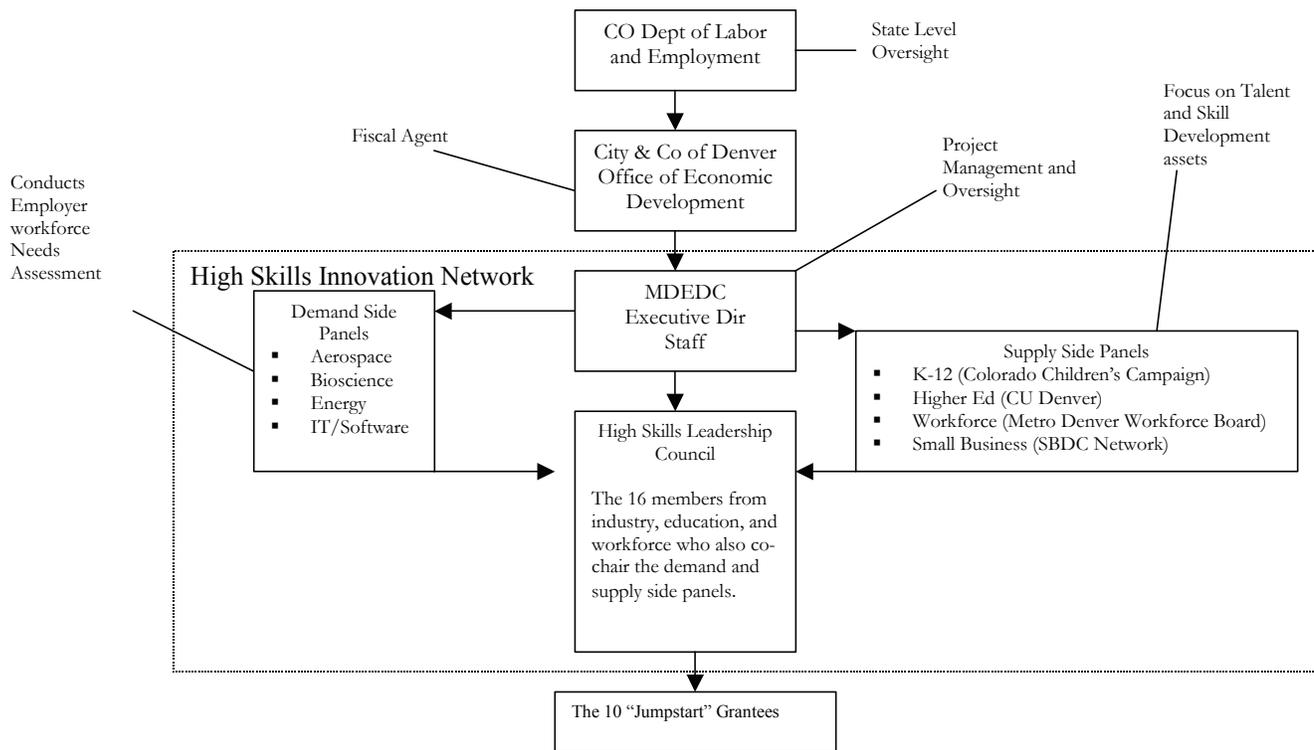
The Metro Denver region has a well-established precedent of regional collaboration in the economic development community, and political leadership in Denver is committed to regionalism and intra-governmental collaboration. In addition, before the WIRED solicitation for grant applications was released, the eight local Workforce Investment Boards (WIBs) in the nine-county region created a Metro Denver Workforce board, to foster collaboration between the independent WIBs. On the other hand, strong local control of K-12 school districts is protected by the Colorado Constitution, which may prove to be a barrier to regional collaboration in the K-12 sector. Specifically, Article IX Section 15 of the State Constitution grants control of instruction to local school boards and protects school districts against legislative efforts to require them to spend locally-raised funds on instruction that the district does not control.²

Readiness for Collaboration

Following the election of Denver Mayor John Hickenlooper, in 2003 municipal economic and workforce development departments were reorganized to emphasize collaboration. This reorganization in the City and County of Denver provided a template for the integration of

² Owens v. Colorado Congress of Parents, Teachers, and Students, 92 P.3d 933 (Colo 2004)

Figure A 7
Metro Denver WIRED Partner Map



economic and workforce development envisioned in WIRED. A prior MDEDC initiative, “Breakthrough Denver,” spurred public-private investment in regional economic development in February 2005. MDEDC raised over \$13 million for conducting marketing, political action, and business recruitment to create 100,000 new jobs in the region by 2010. Many of the goals and emphases of the Metro Denver WIRED initiative are based on an October 2005 report, *Towards a More Competitive Colorado*, prepared by Development Research Partners for the MDEDC and sponsored by Qwest Corp. This study coined the term “Colorado Paradox.”

Organization and Administration

The grant was originally structured as a partnership between the State of Colorado, City and County of Denver, and MDEDC. This core group developed the implementation plan and has been chiefly responsible for managing the initiative, including drafting the request for JumpStart proposals and supervising the selection process. To date, Metro Denver WIRED has operated as a closed system, with limited flexibility to incorporate new partners or invest in new priorities. Given this first year’s focus on needs assessment and asset mapping (in addition to talent development), however, the flexibility of the Metro Denver WIRED structures has not been a major concern.

In mid-September 2007, Metro Denver WIRED held a Leadership Council retreat to review the research results and subsequent recommendations from the demand and supply panels. Participants at the retreat voted for their top priorities among the recommendations. Those

priorities will drive the next round of Innovation Pool grants, the formation of working groups, and will direct the next phase of the Metro Denver WIRED initiative. Thus, the initiative is at a transition point, and poised to move beyond the activities detailed in the region's original implementation plan.

Partnerships

Metro Denver's WIRED initiative builds on partnerships and systems that have grown through the formation of MDEDC. The inclusion of Weld and Larimer counties in the WIRED initiative expands the definition of the Metro Denver region, however. Adjacent to the Wyoming border, these counties are historically not considered a part of the Denver metropolis although they are part of the "Front Range," the Interstate 25 corridor that extends from Pueblo in the south to Cheyenne, WY in the north. Weld County was added to the Metro Denver WIRED initiative because of their participation on the Metro Denver Workforce Board. Both Weld and Larimer counties are well represented on the supply side panels, and four of the ten JumpStart grants impact at least one of the two counties. The extent to which these counties will be integrated into the rest of the Metro Denver WIRED initiative is still to be seen.

The High Skills Network panels represent an important manifestation of regional partnership. Panel members noted that the new relationships they developed were a key benefit of participation; nonetheless, developing those relationships took time. Often, an industry panel consisted of competitors who were reluctant to share information with other members. As one respondent noted, egos of highly confident, highly driven individuals sometimes inhibited group collaboration. The ability of these panels to eventually coalesce, conduct research, and develop recommendations is a testament to the commitment of panel members to WIRED, as well as to the importance of facilitation by the MDEDC Industry coordinators, or the WIRED partner organizations.

While panel members generally rated their participation positively, across both the supply and demand panels, respondents were frustrated that the initiative's structure did not support collaboration between the supply side and demand side panels. This "silo-ing" was a design feature of Metro Denver WIRED, providing the panels with a narrow focus of research, allowing the panels to hone in on their respective areas of expertise, and fostering relationship-building between panel members.

Sustainability

Metro Denver's sustainability goals are to create a strong regional workforce investment system that parallels MDEDC and works regionally with companies in industry clusters, including company recruiters, workforce center career staff, and college placement offices. Future sustainability will require a greater role of the workforce investment system, greater collaboration with industry, and private industry investment in meeting future workforce needs.

The "Experience Gap"

Part of the research conducted during Metro Denver WIRED's first year was a Workforce Assessment report that identified employer needs for specific types of workers and skills. The Workforce Assessment report found that over 40% of employers in the region required workers with three to five years of experience, and 10% required staff with at least ten years of

experience.³ This is not a talent development issue to be solved by increasing STEM skills and graduation rates alone. At the time of the site visit, Metro Denver WIRED partners were considering how to address this issue.

Challenges

Administration

Contractual issues regarding indemnification against liability have created a significant administrative barrier to the timely distribution of WIRED funds. Recently, the City and County of Denver has advanced MDEDC \$800,000 from its general fund to JumpStart sub-grants until the contractual language issues can be resolved.

Involvement of the Workforce Investment System

MDEDC was chosen to lead Metro Denver WIRED because MDEDC is a recognizable brand with the visibility to effectively spread the word about WIRED. Although the Regional Workforce Board has a lot of promise, at the time the WIRED grant began it was not a fully functioning board, and it did not have an Executive Director until November 2006. Moreover, the WIRED grant was written to address talent development issues focused on both high school and college education systems, such as addressing the lack of funding in STEM skills development. Based on the research findings of the supply and demand panels, the upcoming Innovation Pool grants are likely to include more training for adults and current employees, and thus require more involvement from workforce investment partners.

Successes

Leveraged Funds

Metro Denver WIRED has awarded over \$3.7 million in funds to its JumpStart grantees, who were to attract almost \$2.8 million in matched and leveraged funds. This level of investment indicates that Metro Denver WIRED-funded programs are valued by other stakeholders in the region. Additionally, WIRED partners were able to attract attention and funding to address WIRED goals outside of the JumpStart grants. For example, CU Denver, facilitator of the Metro Denver WIRED Higher Education panel, won a \$3 million grant from the Gates Foundation to create a STEM Center with a focus on students at the K-12 level.

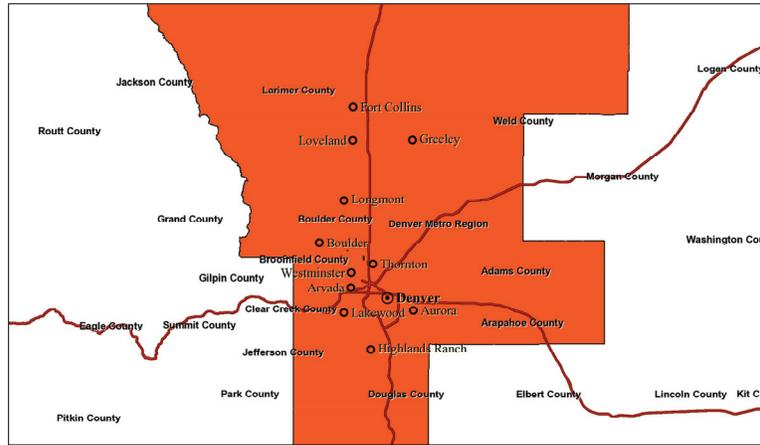
Increased Awareness of STEM Education

Many industry executives and leaders, prior to Metro Denver WIRED, had little awareness of the inadequacies of the regional educational system. Several panel members noted their surprise about the limited STEM requirements in K-12 education and the low graduation rates in the region. At least one industry leader stated that his work on an industry panel has inspired him to be more involved in education as a parent and philanthropist. Metro Denver WIRED provided the impetus for the Governor to create a P-20 Council to support regional STEM skill development, develop more detailed asset maps, and move the policy agenda forward in regional areas across the state. Sustaining and expanding this increased attention to transforming educational systems in the region will be key to a solution of the “Colorado Paradox.”

³ Development Research Partners, Metro Denver WIRED Initiative Workforce Study, May 11, 2007, Littleton, CO

Regional Facts

**Figure A 8
Regional Map**



List of Counties:

Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, and Larimer

Boundaries of Region:

8 counties mirroring the Denver Metropolitan Statistical Area defined by the US Census

Urban vs. Rural:

The region, centered around Denver, is a combination of urban, suburban and rural areas.

Demographics:

The region contains 66% of the state’s population, with Denver as the largest population center in the region. Larimer and Weld Counties are the most rural and remote with population densities well below the regional median of 364 people per square mile.

**Figure A 9
Demographic Details**

| Measure | Regional Average | County Range | |
|-------------------------------|------------------|--------------|----------|
| | | High | Low |
| Educational Attainment | | | |
| High School Diploma | 21.5% | 31.1% | 14.8% |
| Post Secondary Degree | 42.4% | 59.3% | 23.6% |
| Per Capita Income | \$25,522 | \$34,718 | \$18,708 |
| Median Age | 33.8 | 36.8 | 31.0 |
| Unemployment Rate | 4.1% | 5.7% | 3.2% |

Site Visit Details

Date of visit: September 11-14, 2007

Site Visitors: Tommy Smith, BPA; June Chocheles, UCSD

Site Visit Respondents:

- Ledy Garcia-Eckstein, Executive Director, Metro Denver WIRED
- David Ford, WIRED Grant Manager, Denver Office of Economic Development
- Kathryn Otten, State WIRED Director, Colorado Department of Labor and Employment
- Tom Clark, Executive Vice President, MDEDC
- Linda Murphy, Executive Director, Metro Denver Workforce Board
- Joseph M. Barela, Manager, Arapahoe-Douglas Works
- WIRED Industry Coordinators - Vicky Lea, Jerome McCarthy, Mary Jeffreys, Laura Hahn
- Alex Medler, Colorado Children's Campaign (K-12 Education panel facilitator),
- Robert Reichart, CU Denver, Center for Education Policy Analysis (Higher Ed panel facilitator)
- Caroline Himes, Laboratory for Atmospheric and Space Physics - U of Colorado at Boulder
- Shelly Wood, Community College of Aurora (JumpStart grantee)
- William Schneider, President, Venoco, Inc.
- Jason Gaulden, Program Officer, The Daniels Fund
- George Sissel, Former Chairman and CEO of Ball Aerospace
- Norwood Robb, Denver School of Science and Technology (JumpStart grantee)
- Nicole McGee, Center for Applied Math and Science for Innovation and Competitiveness (CASMIC)

Early Implementation of Generation I WIRED Initiative
2007 Site Visit Highlights
WIRED Northwest Florida Initiative

Introduction

The goal of the WIRED Northwest Florida Initiative is to transform the region's economy and improve America's economic competitiveness in the global economy through talent development in five target industries: aerospace and defense; life sciences; information technology, software development and electronics engineering; alternative energy; and construction services. The WIRED initiative also aims to integrate efforts in education, training, workforce investment, and economic development across the region and to facilitate regional partnerships that create and expand employment opportunities for workers in the region.

The WIRED grantee and fiscal agent is the Agency for Workforce Innovation (AWI), the state agency responsible for implementation of Florida's workforce investment programs. Project management for the WIRED grant is housed in Florida's Great Northwest, Inc., a regional economic development organization based in Destin, Florida (see Figure A 10). Florida's Great Northwest leads a coalition of businesses, entrepreneurs, economic development organizations, secondary and post-secondary educators, workforce investment boards, foundations, and small business development organizations that is focused not only on developing a skilled workforce in the target industries, but also on creating high-skill, high-wage job opportunities in the region.

A 28-member Governance Council provides oversight and strategic direction to the WIRED project. The Governance Council has particular responsibility for evaluating all requests for funding and for ensuring compliance with the requirements of the WIRED grant. The Council has CEO-level representation from the full spectrum of the regional coalition, and a majority of members are from businesses in the target industries. WIRED Northwest Florida also has five Advisory Councils—one for each of the five target industries—that specialize in issues related to that industry sector, such as identifying the existing skills pool and identifying workforce skill requirements.

Key Issues

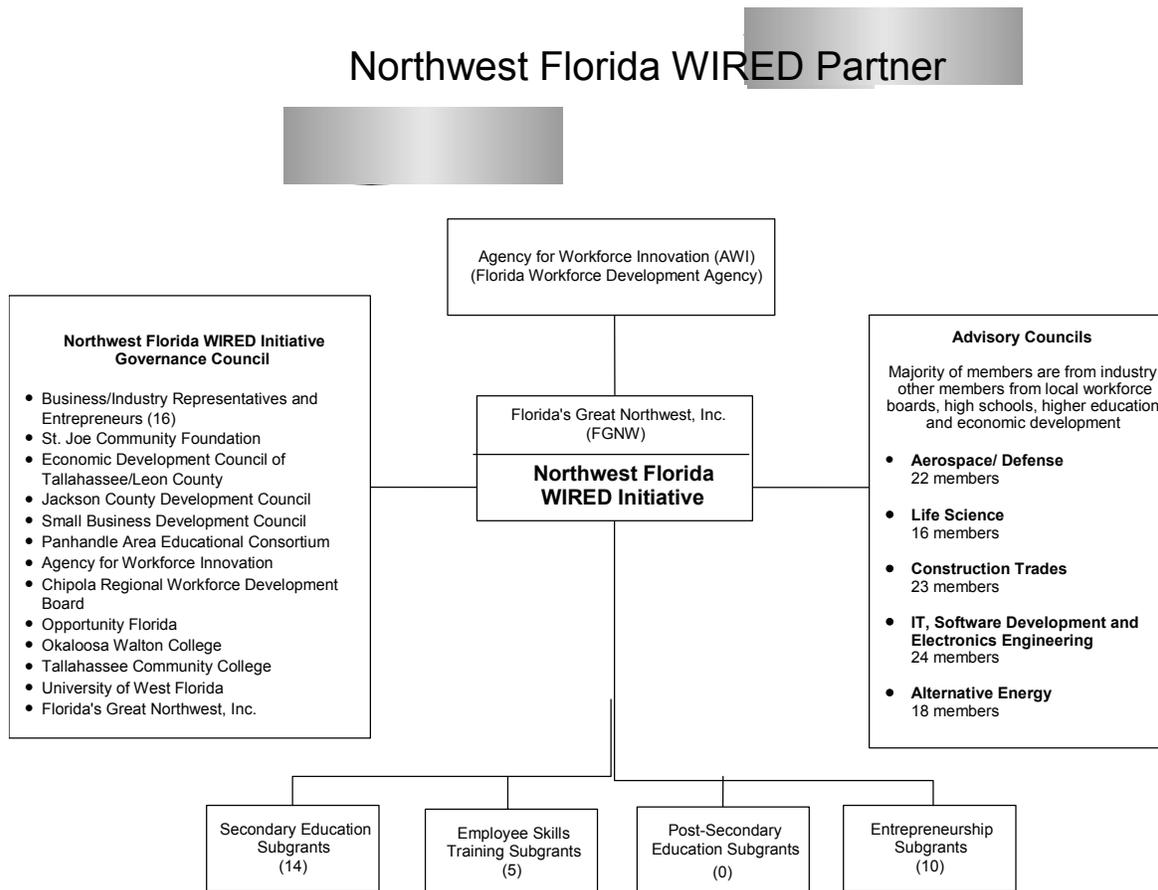
Regional Identity

Northwest Florida had an established regional identity prior to WIRED, corresponding to the geographic area of the Florida Panhandle. Although this regional identity was strong, economic development and workforce training decisions in the region tended to be highly decentralized, with most being made at the county level.

Readiness for Collaboration

Florida's Great Northwest was established a decade ago in recognition of the fact that regional collaboration and strategic alliances among businesses and economic development interests were necessary to the economic advancement of the 16-county area. Many of the current members of the coalition for the WIRED Northwest Florida Initiative had been involved in collaborations and partnerships facilitated by Florida's Great Northwest for a number of years prior to the WIRED grant. For example, five of the six workforce investment boards in the region, which had previously organized themselves into a regional coalition, had been working with Florida's Great Northwest for several years to achieve regional goals for workforce training.

**Figure A 10
Northwest Florida Partner Map**



Partnerships

The coalition for the WIRED Northwest Florida Initiative represents the majority, and the full range, of businesses and organizations in the region that have a stake in promoting its economic development.

Initiative Components

The WIRED Northwest Florida Initiative provides funding for:

- Employee Skills Training for new and existing businesses in the target industries;
- Secondary Education Grants for Career Academies that provide skills training for careers in the target industries or intense, accelerated college preparation in math and/or science;
- Post-secondary Education Grants to develop the skills needed by the target industries; and
- Entrepreneurship support to develop start-up companies, including technical assistance for their efforts to secure seed capital.

The WIRED Northwest Florida Initiative also engages in Strategic Program Development to ensure that their talent development efforts match the current and projected employment needs of the target industries, as well as outreach to bring students into the skills training programs.

Sustainability

WIRED activities are congruent with the strategic plan of Florida's Great Northwest, and will be maintained by that organization once the WIRED grant ends. All of the WIRED initiative's training and education grants require plans for the long-term sustainability of the program.

Challenges

Regional Economy

The regional economy is seen by many to be at a critical crossroads:

- Many of the region's traditional industries (e.g., timber) have declined in recent years, while tourism and other service sector industries—with their low-wage, low-skill jobs—have grown significantly;
- The recent downturn in housing not only affects the region's economy in general but also impacts the St. Joe Community Foundation, an important WIRED partner, because its income derives largely from building and housing construction;
- The cost of living, especially the cost of housing, in the region is prohibitive. Even high-salaried workers, such as aviation engineers, cannot easily afford to live in the region;
- Although the unemployment rate in the region has been the lowest in the state for years, the region also includes an eight-county area that is one of three "Rural Regions of Economic Concern" named by the Governor. While Florida's wages are around 78% of the national average, wages in the rural areas in Northwest Florida are about half of that; and
- Diversification of the economy and development of the target industries in order to create more high-skill, high-wage jobs in the region is critically needed.

Participation by Rural Partners

Few organizations from the region's rural areas applied for education and training funds during the WIRED initiative's first round of grants. WIRED hired a staff person to do rural outreach, and provided technical assistance for the next round of funding in which they linked the workforce partners with the school districts. The next year, WIRED received more high-quality applications, and all but one were from the rural areas.

Successes

Collaboration

The WIRED Northwest Florida Initiative has been a catalyst in creating and expanding partnerships in the region and in facilitating collaboration among the partners. Collaboration among the members of the WIRED coalition has resulted in more coordinated efforts in all areas. For example, the secondary school Career Academies are, as a condition of their grant funding, working with local WIBs and One-Stop Career Centers to ensure that the skills training they provide is relevant to the employment needs of businesses in the region. Furthermore, developers in the region have recognized the need for collaboration with employers, educators, economic development organizations, WIBs, and regional planners as they make their plans, and are now coming to the WIRED partners for help before they begin to develop their properties.

Worker Training

WIRED Northwest Florida has awarded ten Entrepreneurship grants to businesses that will train workers and create jobs in high-skill, high-wage positions. In addition to contributing nearly \$7

million in matching funds, recipients of the Entrepreneurship grants are expected to make a capital investment in the region; their investments are estimated to reach nearly \$32 million. Although major delays occurred in awarding the entrepreneurship grants (because the costs for the program as originally planned were not allowable under the WIRED grant), the WIRED initiative has finally achieved resolution of the past grants and is moving forward quickly with the revamped program.

Innovation

The CHOICE Institute Career Academies created by the Okaloosa County School District are an innovative method of providing intense and accelerated career education for secondary school students. The CHOICE Institutes offer programs in information technology (offering nationally recognized certification in IT), allied health, creative arts, aerospace and aviation engineering (affiliated with Embry-Riddle Aeronautical University, the number one ranked school for aerospace aeronautical engineering), and construction trades. The Outreach Program of the WIRED Northwest Florida Initiative also takes an innovative approach to creating a demand by students for skills training programs that meet the workforce demands of the target industries. In addition to its aggressive grassroots marketing programs, the initiative is developing an online, multimedia career portal that focuses on the target industries and their related educational programs and includes detailed information on career entry points, educational requirements, etc.

Leveraged Funds

The WIRED Northwest Florida Initiative is structured as a grantmaking organization that requires a 100% match from grant recipients, thus leveraging WIRED grant funds with matching funds. To date, the initiative has secured approximately \$5.7 million in private capital contributed as match. In addition, Workforce Florida, Inc., the state-level workforce investment policy and oversight body, has awarded \$1 million to Okaloosa County School District to establish the Banner Center of Excellence for Secondary Career Academies. By leveraging WIRED funds, the region now has an institution that is setting the standard for the entire state in career education. Finally, WIRED partners are currently in the process of identifying potential angel investors and creating a network that supports entrepreneurs in the region.

Regional Facts

List of Counties:

Escambia, Santa Rosa, Okaloosa, Walton, Holmes, Washington, Bay, Jackson, Calhoun, Gulf, Liberty, Gadsden, Leon, Wakulla, Jefferson, Franklin.

Boundaries of Region:

Florida's Great Northwest comprises 16 counties covering 13,000 square miles.

Urban vs. Rural:

The region is urban with Pensacola and Tallahassee and the largest population centers, and rural.

Demographics:

Florida's Greater Northwest WIRED region represents 8% of Florida's total population. Within the WIRED region, Escambia County has the largest population (294,410), and Liberty County the smallest (7,021).

**Figure A 11
Regional Map**



**Figure A 12
Demographic Details**

| Measure | Regional Average | County Range | |
|-------------------------------|------------------|--------------|----------|
| | | High | Low |
| Educational Attainment | | | |
| High School Diploma | 28.4% | 40.4% | 18.9% |
| Post Secondary Degree | 30.6% | 49.9% | 10.4% |
| Per Capita Income | \$18,276 | \$20,577 | \$12,152 |
| Median Age | 35.5 | 41.0 | 29.4 |
| Unemployment Rate | 5.9% | 8.3% | 3.6% |

Site Visit Details

Date of visit: August 27– 30, 2007

Site Visitors: Kay Magill, BPA; Josh Shapiro, UCSD

Site Visit Respondents:

- Pam Tedesco, Director, WIRED Northwest Florida Initiative
- Al Wenstrand, Executive Director, Florida’s Great Northwest
- Sonya Negley, Assistant Director, WIRED Northwest Florida Initiative
- Kelly Lorenz, Grant Manager, WIRED Northwest Florida Initiative
- Other staff: Roger Miller, Regional Representative; Mills Vautrot, Darrell Devane, Grant Administrator; Director of Administration and Programs; Therese Baker, Accountant/HR
- Jeff Arnett, President and Rick Finch, Senior Vice-President, ActiGraph

- Jerry Cartwright, State Director, Small Business Development Center
- Gene Franklin, Senior Loan Officer, Seminole Funding/CEO, Black Chamber of Commerce
- Jeff Helms, Vice President, PBS&J
- Rus Howard, Principal & Fund Manager, Whitesand Investments
- Beth Kirkland, Exec. Director, Economic Development Council of Tallahassee/Leon Co.
- Rob Koeneman, President, Dimensional Research Associates
- William D. Law, Jr., President, Tallahassee Community College
- Al McCambry, General Manager, Knology
- Jane McNabb, Executive Director, St. Joe Community Foundation
- Matt Miller, Director of Panama City Operations, EDO Corporation
- Jim Nitterauer, President/CEO, GridSouth Networks, LLC
- Wyatt Pope, Division Director, Workforce Services, Agency for Workforce Innovation
- Bob Richburg, President, Okaloosa Walton College
- Bill Rimes, President & CEO, West Florida Electric Cooperative
- Al Ward, General Manager, Florida Transformer
- Richard Williams, Executive Director, Chipola Regional Workforce Development Board
- Kevin Kennedy, Business Manager, Crane Aerospace & Electronics
- Huy Nguyen, Cogon Systems
- Bryan Clark, Ceryph Inc
- Bob Van Riper, Vice-President, Flightline Group, Inc.
- Bill Jacobus, Avocare
- Dave Ramsey, Chairman, President & CEO, SunTrust Bank
- Leigh Berdon, Bay County Economic Development Alliance
- Jeff Stevenson, Dean of Workforce Education, Gulf Coast Community College
- Ray Rodriquez, Comptroller & Manager and Denise Rodriguez, Liberty Chips Corporation
- Kim Bodine, Gulf Coast Workforce Board
- Susan Nelms, Workforce Escarosa
- Mary Lou Reed, Workforce Development Board of Okaloosa & Walton Counties
- Linda Sumblin, Workforce Development Board of Okaloosa & Walton Counties
- Kim Moore, Workforce Plus
- Rick Marcum, Executive Director, Opportunity Florida
- Barbara Griffin, Assistant Director, Agency for Workforce Innovation (AWI)
- Other AWI staff: Mike Lynch, finance; Duane Whitfield, performance reporting and analysis; Larry Miklus, contract manager; Vicki Smith, workforce liaison; Jim Doyle; and Jacquelyn Phillips, supervisor
- Jeff Scroggins, Director for CHOICE Institutes, Okaloosa County School District
- Frank Fuller, Ass't Superintendent, Non-Traditional Schools, Okaloosa County School Dist.
- Travis Yelverton, Economic Development Council of Tallahassee/Leon County
- Mike Frey, VP for Economic Development, Pensacola Bay Area Chamber of Commerce
- Cindy Anderson, Executive Director, Team Santa Rosa
- Keith Rowe, President, Cornerstone Software Services
- Leo Murphy, Director, CHOICE Aerospace Institute
- Dr. Joe Story, President, Research & Education, The Andrews Institute
- Sharon Heise, Associate Director, Florida Institute for Human & Machine Cognition

Early Implementation of Generation I WIRED Initiative
2007 Site Visit Highlights
North Central Indiana (NCI) WIRED

Introduction

A decline in large manufacturing firms and suppliers, and the low educational attainment of an aging workforce, were the impetus for the North Central Indiana (NCI) WIRED grant proposal. With a focus on advanced manufacturing, advanced materials, agribusiness, and food processing industries, NCI WIRED seeks to nurture start-ups, increase post-secondary education among mature incumbent workers in declining industries, establish networks for entrepreneur support, and develop collaboration among communities throughout the region. An underlying goal is to develop both nationally and internationally renowned innovative initiatives that can be replicated across both the region and the State of Indiana.

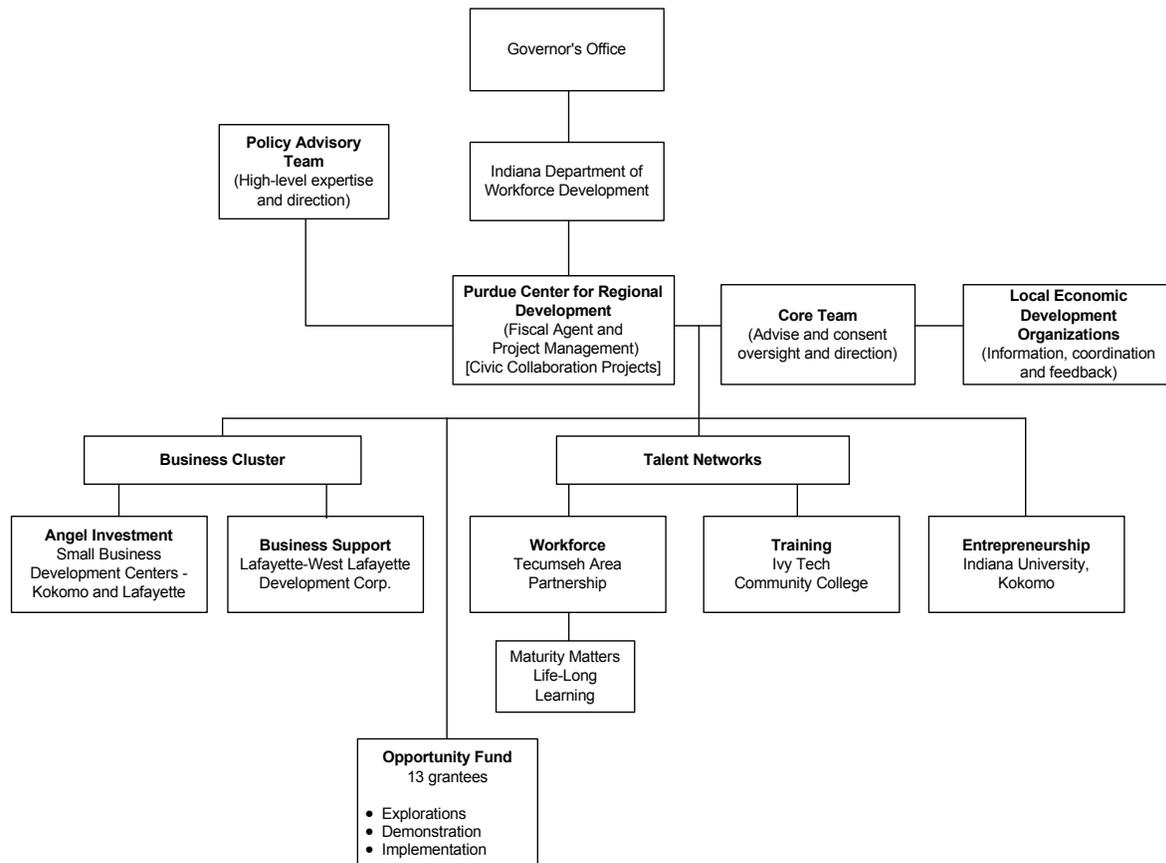
Purdue University's Center for Regional Development (PCRD), through the university's Office of Engagement, is responsible for both fiscal management of the grant and NCI WIRED management. The Policy Advisory Team, comprising executives from the regional partners, operates like a Board of Directors, and focuses its interest on issues that are exceptional in scope or impact. The Core Team consists of the managers from the regional partners, and is the tactical group charged with NCI WIRED managerial details (see Figure A 13). This group reviews each proposal before Opportunity Funds are recommended for approval. The Project Investigator (PI) must approve each recommendation made by the Core Team and maintains approval authority for small proposals (less than \$35,000). The PI obtains input from the Core Team to ensure that the proposals are understood, supported, and aligned with the objectives of key players. NCI WIRED also convenes a panel of the region's local economic development organizations (LEDOs) to inform, solicit input, and build collaboration. NCI WIRED's other key partners include Tecumseh Area Partnership (the local workforce board for the WIRED region), Indiana University–Kokomo, Ivy Tech (the statewide community college system), and Small Business Development Centers in Lafayette and Kokomo. Statewide partners include the Indiana Office of the Governor and the Indiana Department of Workforce Development.

Together, NCI WIRED and its partners are implementing strategies in several key areas:

1. Building **Talent Networks** to support a region dedicated to lifelong learning. The 15 projects in this area target groups ranging from older workers to high school students.
2. Strengthening **Entrepreneurship and Innovation Networks** in the region. NCI WIRED has nine projects supporting entrepreneurs through resource mapping, angel investing, youth academies, training educators, enhancing top line growth of participating companies, talent development, and a series of regional business plan competitions.
3. Developing **Business Cluster** disciplines, tools, and practices to accelerate innovation among high performance firms in the region. The six projects in this area address health care costs, energy efficiency, advanced materials, agribusiness supply chains, nanotechnology, and green workforce certification.
4. Strengthening habits of **Civic Collaboration** to introduce the habits of "Strategic Doing." NCI WIRED has several projects that focus on building networks, developing communities of practice, and hosting regional forums.

Figure A 13

North Central Indiana WIRED Partner Map



- Investing in innovative partnerships through a \$5 million Opportunity Fund that supports three phases of investments. *Exploratory Investments* (up to \$35,000) encourage rapid testing and deployment of new concepts in education and training. *Demonstration Investments* (limited to \$100,000) build on and expand pilot projects. *Implementation Investments* expand promising initiatives that can be sustained and scaled both in the region and across Indiana.

Key Issues

Collaboration

One of NCI WIRED’s transformative strategies is to build civic networks that foster collaboration across jurisdictional boundaries by quickly identifying initiatives on which to work together, something that NCI refers to as “strategic doing.” NCI convenes quarterly regional forums on topics such as clean energy and economic development (the latter of which consisted of elected officials) to bring people together around specific ideas to establish predictability and trust. Concurrently, NCI is developing a Regional Compact defining the parameters of

cooperation. NCI is also conducting an ongoing social network analysis to measure the density and reach of existing networks.

Together, the Policy Advisory Team, Core Team, and the LEDO panel have been described as the “vanguard” of regional collaboration. Less collaboration exists between those outside of these key NCI WIRED partnerships.

Regional Identity

At the time that the WIRED grant was awarded, the NCI WIRED region consisted of two local workforce areas, one centered around the West Lafayette/Lafayette metro area, and one centered around Kokomo. Based on research about economic conditions, labor markets, and commuting patterns conducted by the Governor’s Office, Indiana’s Department of Workforce Development combined these two local workforce areas into the new State Workforce Region 4 in July 2006. While the research data showed that the NCI functioned as region “on paper,” prior to WIRED these 14 counties were never considered as an integrated regional unit.

Organization and Administration

Some site visit respondents noted that NCI WIRED’s loose hierarchy is good in theory, but has proved to be more difficult on the ground. With only two full-time staff, NCI WIRED has little “slack in the system.” The Policy Advisory Team has raised concerns over issues such as communication and branding, and, in response, has recently increased its oversight of WIRED.

Site visit respondents also reported a perception that the NCI WIRED decision-making process has changed over time. Some observed that decision-making appears to have shifted from the Core Team to PCRCD and the Principal Investigator, which represents a change from a consensus model to more of an advise and consent model. Partners believed that this shift was due in part to pressure from the U.S. Department of Labor to speed up implementation of the WIRED grant. While this more centralized decision-making process is more expedient, it could hinder some of the relationship-building that is critical to creating regional identity, by excluding some partners from key decisions.

Partnerships

Because the Indiana Workforce Development Region 4 is new, the WIRED initiative is the first time that many of the various stakeholders have worked together. The collaboration between the academic institutions in the area—Purdue, Ivy Tech, and Indiana University, Kokomo—is a prime example of a new and productive partnership. In addition to working together to manage NCI WIRED initiatives, the three have created a scholarship program, **Project Complete**, which will encourage over 200 “walkaway” students to return and complete their undergraduate degree for a limited investment of \$1,000 per scholarship.

Sustainability

As a land grant university, the mission of creating a positive impact in the State of Indiana is a part of Purdue’s “organizational DNA.” Thus, successful programs housed at Purdue are likely to be sustained and replicated statewide. Given the reorganization of the public workforce system initiated by and with strong support from the Governor, those initiatives led by the Tecumseh Area Partnership will also be sustained. The future of regional collaboration is less

certain. At least with some partners, collaboration appears contingent on the presence of funding. NCI WIRED's efforts to build civic habits of regional collaboration, particularly in local economic development, are critical to sustaining WIRED successes in North Central Indiana.

Talent Development

The Maturity Matters/Life Long Learning system is NCI WIRED's attempt to improve the skills of incumbent workers. Tecumseh Area Partnership has convened a task force of 26 regional representatives including education, business, government, community-based and other public agencies, and even the AARP. The task force has completed a mature worker profile, gap analysis, and business plan that outline the demographics of workers age 45 and older, employers' needs, and barriers to employment, and proposes services and programs to offer in a life-long learning system, including recruitment and retraining.

Challenges

Administration

Respondents reported the delay between submitting an invoice for services rendered and receipt of payment to be "a long time." Partners and grantees agree the problem is not PCRD but the Purdue accounting system where "things get bogged down." For smaller organizations in particular, the delay can severely impact their cash flow. Some have felt that the bureaucracy at Purdue has discouraged smaller, yet promising, grass roots organizations from applying for Opportunity Fund grants.

Regionalism

Several barriers exist to forging a single economic region through the NCI WIRED initiative:

- Lafayette/West Lafayette is the larger, more prosperous urban center of the two within the region. Site visit respondents in Kokomo are apprehensive that WIRED will most benefit the Lafayette area.
- Other than the two cities, the region is largely rural. Some partners are concerned that NCI WIRED will neglect rural areas in favor of the two urban areas. Others have suggested that the rural areas have different issues and impediments to economic development than cities.
- There is a perception in the region that NCI WIRED is just "another government grant to Purdue to do Purdue projects," which, in the opinion of some, has slowed the process of implementing regional initiatives.

Successes

Leveraged Funds

NCI WIRED has leveraged over \$4.2 million in funding for entrepreneurship and workforce training programs. The resources and expertise that reside at Purdue University are also a key resource leveraged by NCI WIRED. While some partners have complained about the bureaucracy at Purdue, many do note that the university brings a wealth of expertise and resources to WIRED, particularly in technology transfer and education programs.

Technology Transfer

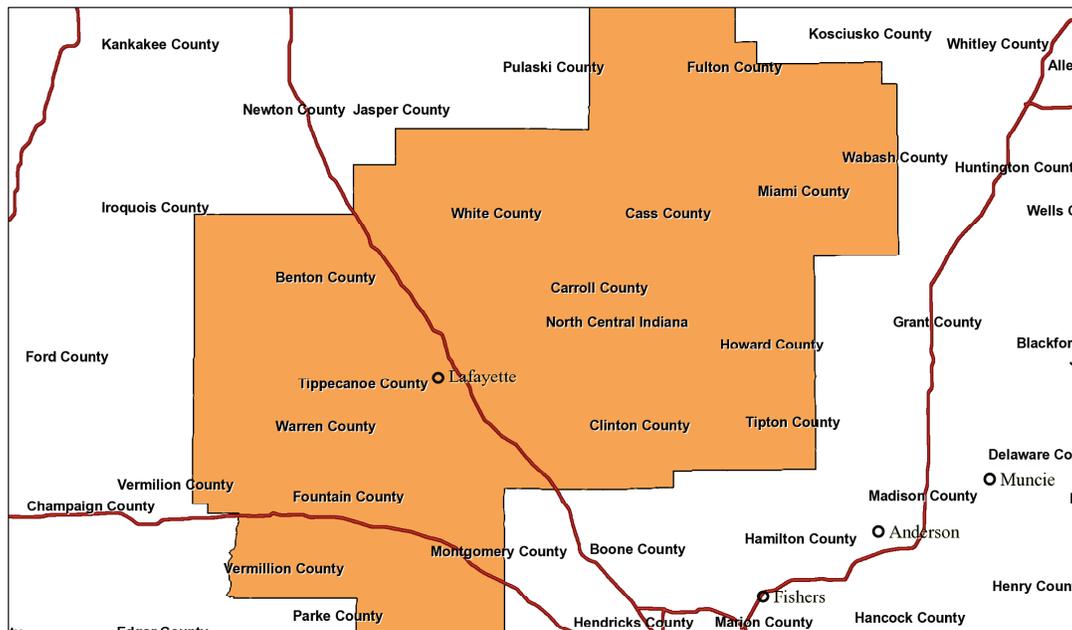
NCI WIRED is successfully implementing several technology transfer projects as Business Cluster strategies. Early indications are that these programs are well received by the business community.

- Energy Efficiency Implementation Innovation – This training program will support 24 companies throughout the region. The program awards Energy Efficiency Practitioner certification to successful participants and is portable across regional manufacturers;
- Healthcare Cost Control – Helps small- and medium-sized manufacturing companies train personnel to reduce and contain health care costs;
- Supply Chain Gap Analysis-Agribusiness – Targets 14 agribusiness firms (one firm from each county in the WIRED region) and provides technical assistance and enterprise-wide training in global supply chain management; and
- Nanotechnology Transfer – Provides training for employees of tool-and-die shops and other firms that do metal cutting on innovative nanostructured coatings for cutting tools that save costs by enhancing tool life, and reducing the use of hazardous lubricants and material waste.

Finally, NCI WIRED is piloting a project in rural communities so that local residents can access entrepreneurship information via computer terminals in its local extension offices (one located in each county in Indiana). Thus, the research and resources of Purdue's Krannert School of Business library can be accessible to any entrepreneur in the state.

Regional Facts

**Figure A 14
Regional Map**



List of Counties:

Cass, Fulton, Howard, Miami, Tipton, Wabash, Tippecanoe, Benton, Carroll, Clinton, Fountain, Montgomery, Warren, White

Boundaries of Region:

The 14 counties in the region represent a newly created state economic development zone.

Urban vs. Rural:

Primarily 14 rural counties, situated between West Lafayette/Lafayette (population over 86,000) and Kokomo (population over 46,000)

Demographics:

Although the WIRED region only represents 8% of the population, its population's demographics are similar to those of the rest of Indiana. The largest county in terms of population size and density is Tippecanoe (148,955; 296.2 pop/sq mile) and the smallest is Warren (8,419; 23 pop/sq mile).

**Figure A 15
Demographic Details**

| Measure | Regional Average | County Range | |
|-------------------------------|------------------|--------------|----------|
| | | High | Low |
| Educational Attainment | | | |
| High School Diploma | 41.7% | 50.3% | 30.5% |
| Post Secondary Degree | 23.3% | 38.6% | 14.3% |
| Per Capita Income | \$18,864 | \$21,877 | \$16,793 |
| Median Age | 34.4 | 38.4 | 26.9 |
| Unemployment Rate | 5.0% | 6.9% | 2.6% |

Site Visit Details

Date of visit: August 7-10, 2007

Site Visitors: Tommy Smith, BPA; Josh Shapiro, UCSD

Site Visit Respondents:

- Dr. Victor Lechtenberg, Vice Provost of Engagement, Purdue University
- Mark Smith, Project Administrator, NCI WIRED
- Sam Cordes, Co-Director, Purdue Center for Regional Development (PCRD)
- Scott Hutcheson, Co-Director, PCRD (NCI WIRED Principal Investigator)
- Ed Morrison, NCI WIRED Policy Advisor, PCRD
- Jeff Sanson, Director of Programs, Indiana Council for Economic Education
- Dr. Mark French, Assistant Professor, Department of Mechanical Engineering Technology, Purdue University
- Christy Bozic, Manager of Business Innovation, PCRD

- Dr. Debra Howe, Superintendent, Rodchester Schools
- Dr. Michael O’Hair, Associate Dean of Engagement, College of Technology
- Craig Lamb, Executive Director Workforce & Economic Development, Ivy Tech
- Roger Feldhaus, Executive Director, Tecumseh Area Partnership (TAP)
- Deb Waymire, Chief Operations Officer, TAP
- Kathy Burns, Planning and Marketing Specialist, TAP
- Susie Perkins, Strategic Initiatives and External Communications Coordinator, TAP
- Susan Davis, Regional Director Greater Lafayette Small Business Development Center
- Jan Hendrix, Interim President, Kokomo-Howard County Development Corporation
- Connie Neining, Economic Development Director, White County
- Gina Sheets, Economic Development Director, Clinton County Chamber of Commerce
- Daryl Smith, Executive Director, Carroll County Economic Development Corporation
- William McCoskey, Deputy Commissioner, Indiana Department of Workforce Development
- Scott Sanders, Chief Financial Officer, Indiana Department of Workforce Development
- Paul Mitchell, Policy Director, Economic and Workforce Development, Office of Governor Mitch Daniels
- Stacie Port Bilger, Director of University Relations, Indiana Venture Center
- David Doyle, Director, Indiana AngelNet, IVC
- Fred Hakes, Director, Division of Continuing Studies, Indiana University, Kokomo

Early Implementation of Generation I WIRED Initiative

2007 Site Visit Highlights

Kansas City WIRED

Introduction

The goal of the Kansas City WIRED initiative is to leverage the strength of existing alliances and partnerships in the initiative's three target industries: advanced manufacturing, biotechnology, and healthcare. Kansas City WIRED aims to develop a seamless and comprehensive system of economic and workforce development for these industries, align training and educational programs to meet the industries' growing staffing needs, and market the region as "OneKC." Indeed, the region seeks to move beyond thinking only about the Kansas City area to "thinking, acting, working, and growing as OneKC."

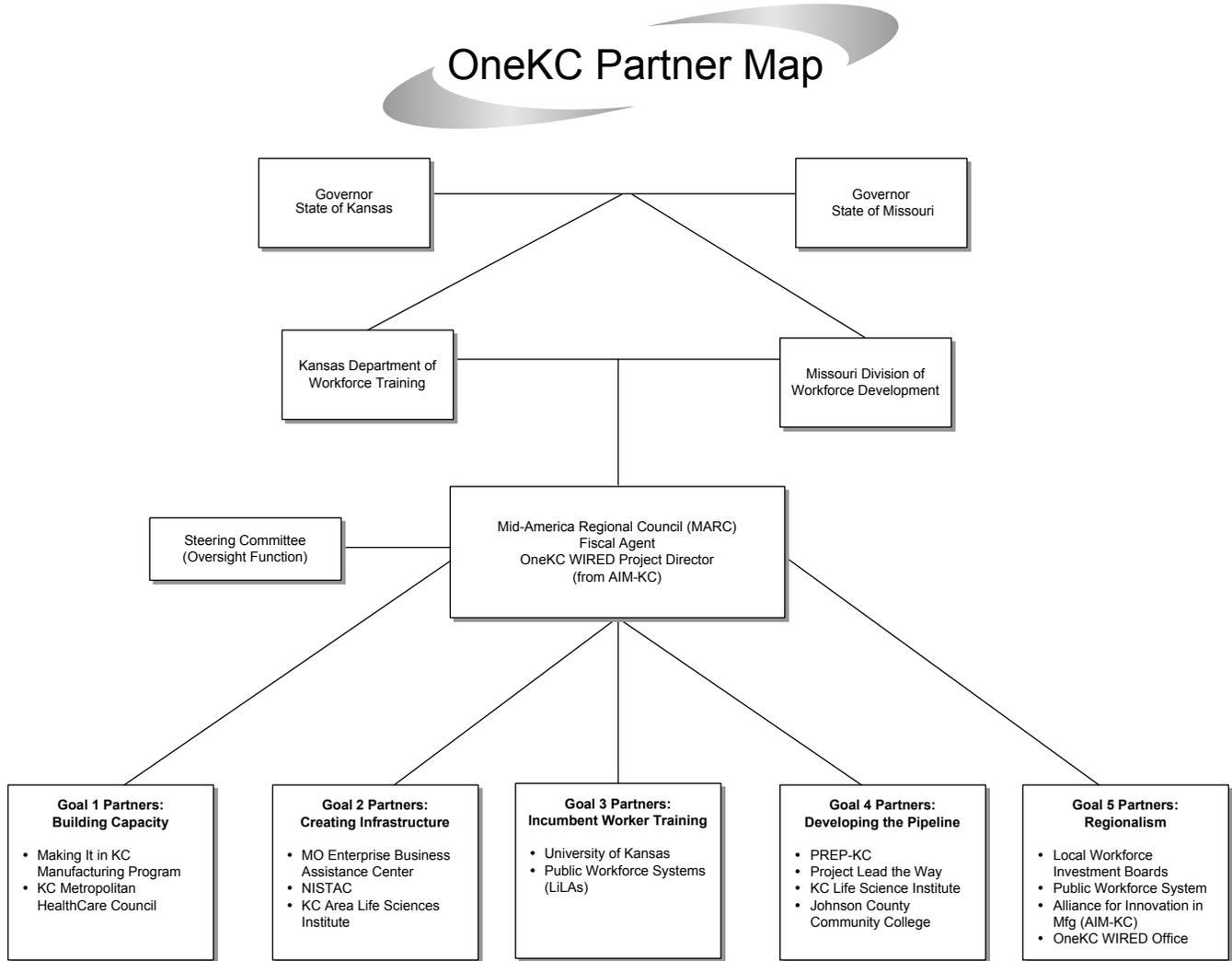
The Mid-America Regional Council (MARC), the federally-designated regional Metropolitan Planning Organization,⁴ functions as the fiscal agent for Kansas City WIRED and hosts the WIRED Project Director. In addition to managing Kansas City WIRED, the Project Director is currently serving as Executive Director for Alliance for Innovation in Manufacturing, Kansas City (AIM-KC), a partnership between the National Association of Manufacturers (NAM) and The Manufacturing Institute (TMI), designed to promote advanced manufacturing in the region and more closely align education and training programs to meet the needs of high technology, high-growth industries.

Kansas City WIRED has two committees supporting management of the initiative. The Steering Committee is made up of all of the partners in Kansas City WIRED, including grantees. This group oversees implementation of the initiative's projects, and meets monthly so that partners who provide WIRED grant services can report on their progress. The Executive Committee is a subset of Steering Committee members, and includes representatives from Kansas and Missouri public workforce investment systems, educational programs, and the three targeted industry sectors. The Executive Committee is the equivalent of the initiative's Board of Directors, and discusses and decides important or sensitive issues related to the WIRED initiative.

Under Goal 1, "Building Capacity," five projects support the training of nurses, and one supports the training of workers for advanced manufacturing. For Goal 2, "Creating Infrastructure," Kansas City WIRED established a Technology Transfer Task Force to facilitate the process of moving new technology out of university labs and into manufacturing across the region, and has started providing research and development (R&D) grants for animal health. The projects for Goal 3, "Incumbent Worker Training," include the development of a Lifelong Learning Account (LiLA) program and specialized training for bioscience workers. Under Goal 4, "Developing the Educational Continuum," Kansas City WIRED has three STEM projects for students at the high-school level, and one STEM project for community college students. For Goal 5, "Regionalism," Kansas City facilitated the formation of a Regional Workforce Council, which is coordinating and standardizing service approaches in One-Stop Career Centers across the seven local workforce areas in the WIRED region.

⁴ Metropolitan Planning Organizations are responsible for planning, programming, and coordination of federal highway and transit investments in urbanized areas, and thus could provide the organizational infrastructure for developing a regional identity.

Figure A 16



Key Issues

Regional Identity

While Kansas City WIRED aims to improve the common economy of the 18-county, bi-state region, the state line repeatedly was mentioned in site visit interviews as a critical consideration for WIRED activities, and often an impediment to regional collaboration, particularly for public sector actors. Regional collaboration in Kansas City exists along a continuum, with industry and labor markets operating irrespective of the political boundary. Similarly, the Chamber of Commerce and the Civic Council of Greater Kansas City, and their economic development units, also have a regional scope. At the other end of the spectrum, obtaining legislative cooperation across state lines may prove to be the most significant barrier to regionalism. The Kansas City WIRED region represents only a portion of each state, and the remainder of each state may not see a benefit to the Greater Kansas City area creating a bi-state partnership and regional identity.

Readiness for Collaboration

The Alliance for Innovation in Manufacturing-Kansas City (AIM-KC) provided Kansas City WIRED with an already established network of collaborative partners and a Project Manager. Another factor that facilitated collaboration between workforce and economic development in Greater Kansas City is the fact that in both Kansas and Missouri, workforce development services are in the same state agency as economic development.

Partnerships

Many of the AIM-KC partnerships continued into Kansas City WIRED. Most members of both the Executive and Steering Committees knew the Kansas City WIRED Project Manager from his work with AIM-KC. This core group functioned well with effective communication, little dissent, and efficient and diffuse information flow. Others who were not members of the Executive Committee, however, thought the core group was not inclusive of others, and that they did not make a genuine effort to reach out beyond the confines of the Executive Committee.

Nonetheless, several new partnerships have developed because of Kansas City WIRED. First, the region's community colleges joined together to write and submit a grant application to the National Science Foundation (NSF). Second, the seven local workforce boards in the WIRED region, along with state workforce investment agencies in Kansas and Missouri, created a OneKC Regional Workforce Council. While not a decision-making body, the Council is discussing ways to improve collaboration, to be consistent in delivery of services, and to make workforce investment services more industry-driven.

The role of the Kansas City WIRED Project Manager in developing and maintaining relationships cannot be understated. He has worked diligently and successfully in fostering relationships, brokering partnerships, and promoting the Kansas City WIRED mantra of "thinking, acting, working, and growing as OneKC." Observing how his dynamism can be either institutionalized or otherwise sustained in the future to avoid the idiosyncratic element of personality will be an important task for the WIRED evaluation.

Sustainability

While the institutional mechanisms are not yet developed to sustain the initiative beyond the WIRED grant, many interviewees mentioned that partnerships and collaboration would continue if they were useful, regardless of institutional support. It has been proposed that the boards of AIM-KC and MARC work with other key stakeholders to actively explore and recommend the most effective long-term structure for a sustainable successor organization dedicated to continuing and expanding the work outlined under OneKC WIRED.

The "Experience Gap"

The need for workers who not only have appropriate training, but who also bring relevant work experience to the job is particularly critical for nursing. Two of Kansas City WIRED's projects are addressing this issue. The first is developing bedside nurses as mentors and preceptors for new nursing graduates and practicing nurses to encourage retention within the field. This program will equip nurses with the necessary skills to recognize issues that would cause their peers to exit the field, and provide them with the professional resources necessary to take steps to retain these highly trained/skilled workers. The second project provides opportunities for

training and refresher courses for non-practicing licensed nurses to return to the nursing profession and to learn the latest medical techniques and practices.

LiLAs provide opportunities for individuals to invest in their own training while also ensuring that skills upgrades are addressing the needs of industry and employers. LiLAs involve contributions by employers and employees, similar in nature to a 401(k). The Kansas City demonstration project also includes a third-party match, which is expected to support a minimum of 100 workers at \$520 per year. The third-party match will come from the states (Missouri and Kansas) and philanthropic sources.

Challenges

Administration

Currently, the project administration of Kansas City WIRED is centralized with the Project Manager and his assistant. He is involved with every decision and aspect of WIRED, which could potentially become a bottleneck as Kansas City WIRED grows in scope and complexity. Accordingly, Kansas City WIRED is recruiting additional staff so the Project Manager can delegate duties and responsibilities.

Interstate Barriers to Regionalism

Site visit respondents discussed the difficulty of truly creating a regional identity that crosses state lines. Examples of specific challenges include the fact that each state has a different list of qualified training providers from which customers with Individualized Training Accounts may select. Legislators still think locally, and strive to avoid the appearance of resources going to benefit the other state.

Successes

Leveraged Funds

In Kansas City WIRED, leveraging often means the pooling of WIRED resources with other resources in order to have a greater impact. The initiative's partners have secured over \$13 million in funds from sources such as the Bill and Melinda Gates Foundation, the Kauffman Foundation, and the Governors' Discretionary WIA funds from both Kansas and Missouri. The majority of these funds (\$11 million) are being applied to K-12 educational development (e.g., Prep-KC, UpLink, and Project Lead the Way). The remaining leveraged funds are supporting the development of the nursing pipeline both through the community colleges and mentorship programs at the hospitals.

Branding

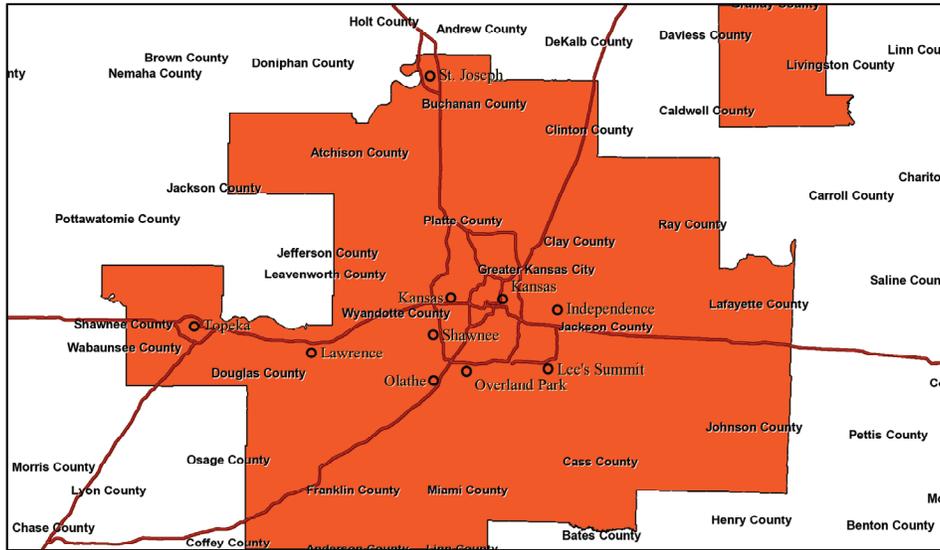
Kansas City has done an excellent job in branding the region. While working across state lines has proved to be an arduous task, the branding campaign appears to be encouraging people to think about the Kansas City region in a new way.

Regional Facts

List of Counties:

Missouri, 10 counties: Buchanan, Cass, Clay, Clinton, Jackson, Johnson, Lafayette, Livingston, Platte, Ray; **Kansas, 8 counties:** Atchison, Douglas, Franklin, Johnson, Leavenworth, Miami, Shawnee, Wyandotte

**Figure A 17
Regional Map**



Boundaries of Region:

Kansas City MSA, Topeka MSA, *plus* 5 rural counties in Missouri, *plus* 4 rural counties in Kansas

Urban vs. Rural:

The region covers a mixture of urban, suburban, and rural areas.

Demographics:

The Kansas City WIRED region represents 21% of Missouri’s population and 38% of Kansas’ population. The counties with the largest populations are Jackson, MO (654,880) with a density of 1062.7 pop./sq. mile, followed by Johnson County, KS (451,086; 939.9 pop/sq mile). In contrast, Livingston County, MO (14,558; 27 pop./sq. mile) and Atchison County, KS (16,774; 38.6 pop./sq. mile) have the smallest populations.

**Figure A 18
Demographic Details**

| Measure | Regional Average | County Range | |
|-------------------------------|------------------|--------------|----------|
| | | High | Low |
| Educational Attainment | | | |
| High School Diploma | 29.5% | 45.9% | 17.5% |
| Post Secondary Degree | 33.5% | 54.1% | 14.4% |
| Per Capita Income | \$22,114 | \$30,645 | \$14,793 |
| Median Age | 34.9 | 39.7 | 26.5 |
| Unemployment Rate | 4.3% | 8.2% | 2.3% |

Site Visit Details

Date of visit: July 23 – 26, 2007

Site Visitors: Linda Toms Barker and Tommy Smith, BPA; Josh Shapiro, UCSD

Site Visit Respondents:

- Blake Flanders, Director of Workforce Training & Education, Kansas Department of Commerce
- Bill Thompson, Regional Director, East Central Kansas Workforce Development, Kansas Department of Commerce
- Laura Loyacono, Regional Director of Project Lead the Way, Metropolitan Community College
- Scott Anglemyer, Executive Director, Workforce Partnership
- Bill Duncan, President, Kansas City Area Life Sciences Institute
- Bob Grant, Senior Vice President Business Growth, Greater Kansas City Chamber of Commerce
- Michael Dunaway, Senior Vice President Field Operations, Metropolitan Healthcare Council
- Sharon Beyer, Senior Operations Director, Heartland Works, Inc.
- Roderick Nunn, Director, Missouri Division of Workforce Development
- Dawn Busick, Assistant Director, Division of Workforce Development, Missouri Department of Economic Development
- Joe Gadberry, Assistant Dean of Science, Health Care & Mathematics, Johnson County Community College
- George Satterlee, Senior Vice President, Missouri Bank
- Bob Marcusse, President and CEO, Kansas City Area Development Council (KCADC)
- Tim Cowden, Senior Vice President for Business Development, KDADC
- Darcy McGrath, Director of Workforce Development, Kansas City, KS Community College
- Karen Krumme, Program Manager, University of Kansas Continuing Education
- Clyde McQueen, President and CEO, Full Employment Council
- Susan Wally, Executive Director, PREP KC
- Pat Lees, Director of Work Based Learning, Kansas City, MO School District
- Katherine Rivard, Civic Council of Greater Kansas City
- Jewel Scott, Civic Council of Greater Kansas City
- Gary Sage, President, Metropolitan Community College - Business & Technology
- Chuck Croston, Grant Director, Metropolitan Community College - Business & Technology
- Maria Meyers, Managing Director, Institute for Entrepreneurship and Innovation, Network Builder, KCSOURCELINK
- Jackie Snyder, Chancellor, Metropolitan Community College
- Larry Hightower, Executive Director, Workforce Development Board of Western Missouri
- Lisa Adkins, Youth Friends
- Julie Holland, Education Analyst, Ewing Marion Kauffman Foundation
- Becky Steele, LWIB Staff Director, North Central Missouri College-Area Job Training Partnership Administration
- Dorothy Pope, Director of Financial Affairs, Mid-America Regional Council
- Mark Johnson, Grants Compliance Manager, Mid-America Regional Council
- Dawn Murphy, Senior Vice President for Human Resources, St. Luke's Health System

Early Implementation of Generation I WIRED Initiative
2007 Site Visit Highlights
Maine’s North Star Alliance Initiative

Introduction

The goal of Maine’s North Star Alliance Initiative (NSAI) is to integrate education, workforce, and economic development systems in order to create and sustain skilled job opportunities in the region’s stronghold industries: boat-building; marine services and repair; and advanced composites. NSAI has identified four “pillars of economic development” and convened committees to develop activities under each pillar:

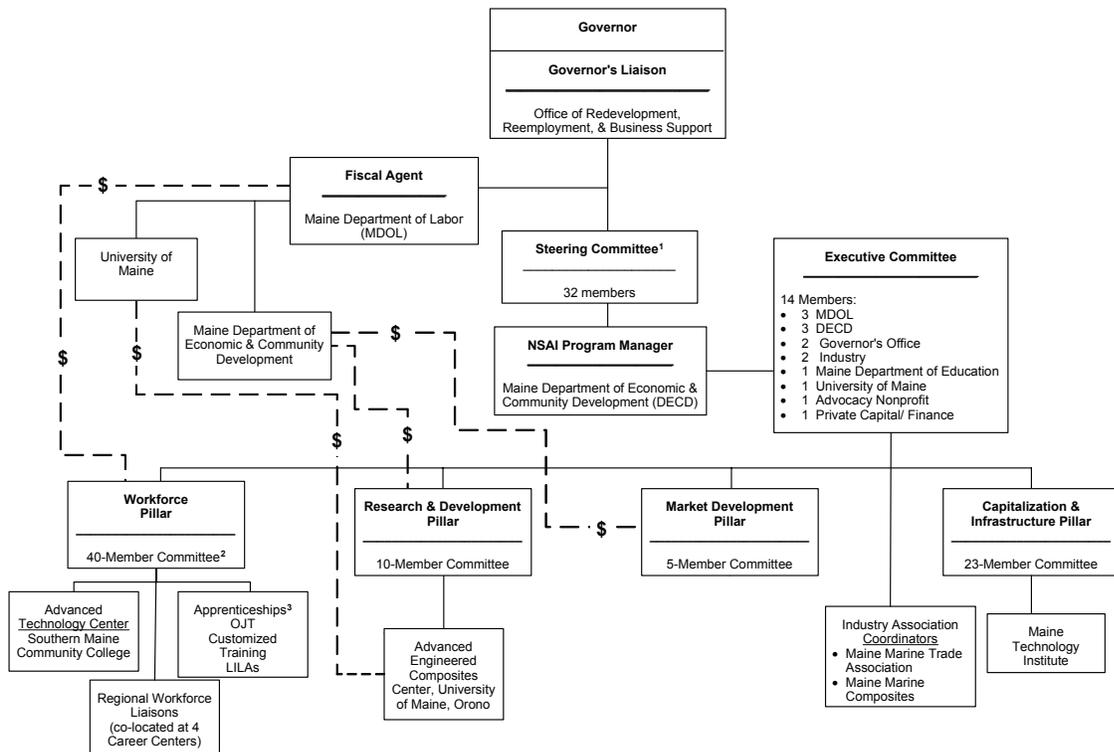
- **Workforce Development** – Develops and delivers applied knowledge and skills to both incumbent and new workers, using faculty jointly sponsored by industry and education. The team also identifies any existing training resources that can be used in conjunction with WIRED funding, such as apprenticeship and on-the-job training funds.
- **Research and Development (R&D)** – Headed by staff of the University of Maine, identifies and prioritizes new industry-based research initiatives, leveraging existing R&D resources with the ultimate goal of increasing Maine’s industry-focused R&D workforce.
- **Outreach and Market Development** – Works to expand new market development initiatives within the boat-building and composites industries. Representatives from this pillar traveled to China for a 2007 trade mission and to national and international boat shows.
- **Capitalization and Infrastructure Development** – Focuses on providing capital and management assistance for business and industry growth, and facility improvement and expansion in order to provide the necessary backdrop for workforce development.

The team leader of each of the four pillars serves on the NSAI Executive Committee (see Figure A 19), together with the Program Manager, Deputy Program Manager, Commissioners of the Maine Departments of Economic and Community Development (DECD) and Labor (MDOL), the Deputy Commissioner of the Maine Department of Education, and representatives from the Governor’s Office and key industry associations. This provides leadership and vision to the NSAI, putting NSAI issues into proper form and bringing them forward to the Steering Committee. A second, larger group, the Steering Committee, provides oversight and is the final decision-making body on major topics. The MDOL Commissioner and an industry representative co-chair the Steering Committee. Both committees make decisions by consensus.

The Governor’s Office is the grantee and employs the Program Manager and Deputy Program Manager. While MDOL is the WIRED fiscal agent, the agency has delegated several fiscal oversight tasks to the Department of Administrative and Financial Services. MDOL contracts with DECD both for staff and to fund activities under the Market and Business Outreach and the Capitalization and Infrastructure Pillars. MDOL also contracts with the University of Maine for management and activities under the Research and Development Pillar. Industry participation is integral to NSAI’s structure and functioning. Representatives from three major industry associations and a range of businesses participate in the four Pillar Committees, the Steering Committee, and the Executive Committee.

Figure A 19

Maine's North Star Alliance Initiative Partner Map



¹ Members include senior administrators of MDOL, DECD, and Department of Education, as well as representatives from industry and businesses, community colleges, the University of Maine, local workforce boards, townships, and foundations.
² Membership in Pillar Committees includes industry representatives. Beyond that, membership varies depending upon the Pillar, but may include representatives from MDOL, DECD, local workforce boards, local economic development agencies, local school districts, banks, and foundations.
³ NSAI has contracted with a number of employers and training providers to train workers using any one of these mechanisms.

Key Issues

Regional Identity

Coastal Maine is known for its boat-building, and the boundaries of the WIRED region are defined by the geographic range of Maine's major boat builders and composite businesses, covering parts of all four of the state's local workforce investment areas. During NSAI's first year, the initiative functioned more like a sector initiative than a regional initiative since few, if any, activities were focused on developing a regional (vs. industry) identity. More recently, however, NSAI staff have been actively involved in the redevelopment authority committee charged with creating an economic redevelopment strategy for the upcoming Brunswick Naval Air Station base closure. The plan will address workforce development, infrastructure, post-secondary curriculum development, business support, and residential housing.

Readiness for Collaboration

Many senior-level partners had already worked together prior to WIRED, and some DECD field staff had worked with MDOL to help businesses access training resources. Both economic

(including R&D) and workforce development representatives remarked, however, that the two groups had not worked together on economic issues before NSAI was formed.

Two other factors in Maine have enhanced NSAI's collaborative efforts. First, county governments in Maine have no political power; their role is limited to law enforcement and the courts. As a result, one less type of governmental player is involved in the WIRED initiative, facilitating collaboration with state and municipal agencies. Second, Maine has been very supportive of business sector and cluster development, independent of NSAI. The Governor recently appropriated \$2.5 million for business cluster development for 2008.

Talent Development

The bulk of NSAI's target industry is located in Maine's mid-coastal region, where the nearest community college can be up to 90 miles away. To address this issue, NSAI's Workforce Pillar group is launching "Many Flags, One Campus," a mid-coastal facility where community colleges and other training providers can offer classes to both new and experienced workers.

The University of Maine is developing an Innovation Curriculum Hall to incorporate innovation and entrepreneurial training into the college curriculum. The University also plans to offer industry-focused innovation training through its R&D facilities.

Changes in the Clean Air Act require businesses in NSAI's target industries to reduce volatile organic compound emissions. Companies must adopt more sophisticated closed-mold manufacturing processes, creating the need for training of new and existing employees. The lack of job applicants with sufficient math skills to perform precise measurements is a big challenge for NSAI's employer partners. NSAI is tackling this gap in several ways:

- Identifying employer needs through the Business Visitation Program (BVP) survey of boat-building and composites companies;
- Using BVP survey results to inform training programs. Both Eastern Maine and Southern Maine Community Colleges have changed their courses and developed new programs and curricula (such as a Marine Trades Certificate) in response to survey results;
- Offering supplemental funding for both apprenticeships and OJT programs, and subsidizing employers' contributions to Lifelong Learning Accounts (LiLAs);
- Supporting development of technical curricula in higher education. The University of Maine's Advanced Engineering Wood Composites (AEC) Center trains students in boat-building and composites, and is developing a community college curriculum in quality assurance/control for composites. The University's Engineering School is also discussing the possibility of a three-week "May term" program for engineering majors focused on boat-building and composite design, in cooperation with the Landing School. Additionally, the Advanced Technology Center (ATC) provides training in advanced composites.
- Organizing "T3" (Train The Trainers), a program to certify incumbent workers as trainers so that training can be offered on-site at their companies to minimize disruption of workers' lives and companies' production schedules.

Sustainability

NSAI leaders are strategizing about how to institutionalize the relationship between industries and state agencies. One idea is that after the WIRED grant is over, the NSAI name would be

supported by the Maine Marine Trade Association (MMTA), Maine Built Boats, and Maine Composites Alliance, who will collaborate to share staff, space, programs, and costs, and to become a more effective voice in state politics. MMTA is also investigating establishing an internal training trust fund to continue the programs currently supported by WIRED funds.

Challenges

Allowable Costs

NSAI's implementation plan included some activities that were unallowable under the H1-B regulations. The Capitalization Pillar group had hoped to establish both a North Star Technology Fund and a business assistance grant program for marine and composite companies. Restrictions on the use of WIRED funds have been a setback for NSAI's industry partners, many of whom said that they cannot create jobs without expanding their facilities. The Capitalization Pillar is moving forward in addressing this challenge, however, by creating the North Star Alliance Capital Corporation, a \$6-8 million long-term patient capital revolving loan fund. At the time of the site visit, one bank had signed on to participate and several others were in the pipeline.

Industry Participation

While NSAI has engaged a number of the region's boat builders and composites businesses, participation by these industry partners is "deep" (those who are involved are very involved) but not "wide" (a relatively small number participate). Many companies in the target industries are small shipyards with fewer than 25 employees; these businesses generally lack the resources to plan for, and pay for, employee training. One indication of the degree of industry participation in NSAI is the response rate for the initiative's survey of boat-building businesses. Just over 40% of the 230 known companies completed the survey. NSAI is addressing this challenge by employing two industry association coordinators (total 1.5 FTE), who will identify and convey the specific needs of the initiative's target industries to NSAI committees. In addition, the regional workforce liaisons, employees of the local workforce boards funded by the WIRED grant, are responsible for visiting the target businesses to let them know about NSAI, and to coordinate all available workforce and economic development services for employers.

Successes

Technology Transfer

The AEWC Center plays a key role in assisting both boat-building and composite businesses to develop and adapt cutting edge composite technologies to produce specific products. The Center also partners with several Maine companies in competing for Department of Defense contracts.

Involvement of the Workforce Investment System

Workforce program staff are key players in NSAI from the state to the local levels. The Commissioner of the Department of Labor participates on the Steering Committee. MDOL contracts with local WIBs and One-Stop Career Center operators to provide WIRED-related services, and local workforce boards employ the four NSAI liaisons.

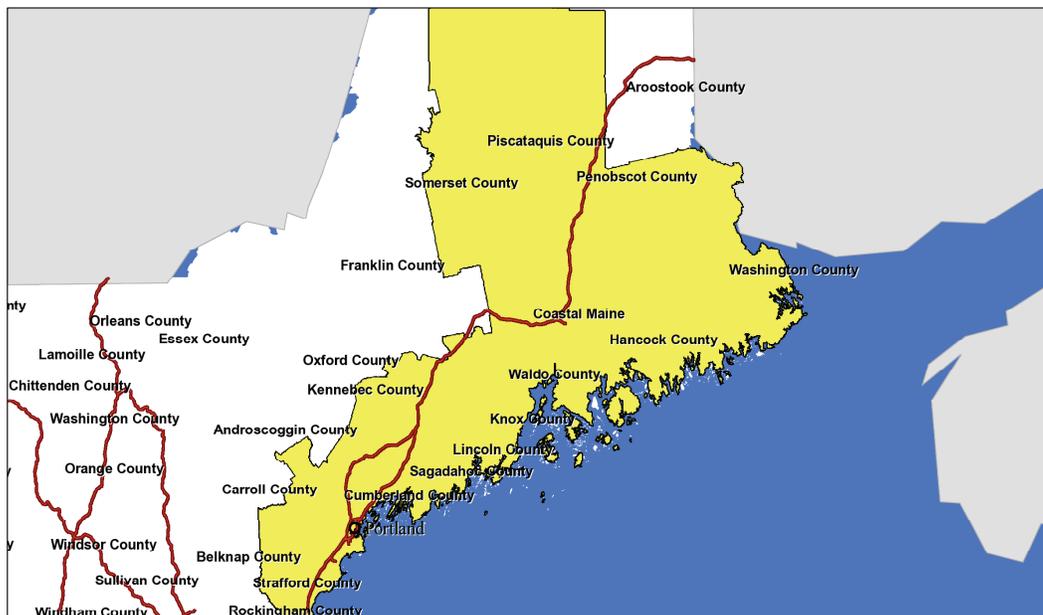
Leveraged Funds

The region has leveraged WIRED funds with two federal grants totaling \$17 million: \$15 million from the Office of Naval Research to the AEWC Center and Hodgdon Yachts to build and field test a high-speed composite boat; and a \$2 million Community-Based Job Training Grant from

DOL/ETA to establish the ATC. In addition, the Brunswick Economic Development Corporation gave an in-kind contribution of \$1 million in the form of the building in which to locate the ATC. Beyond the federal grants, the AEW Center secured \$361,000 in R&D and industry testing contracts in 2007, with proposals totaling another \$1 million pending.

Regional Facts

**Figure A 20
Regional Map**



List of Counties:

York, Cumberland, Sagadahoc, Lincoln, Knox, Hancock, Waldo, Washington, Androscoggin, Kennebec, Penobscot, Piscataquis

Boundaries of Region:

The 12 counties in the region are located on the Maine coastline and the inland areas surrounding the Brunswick Naval Air Station.

Urban vs. Rural:

The region is largely rural, with Portland as the largest population center (64,250 residents).

Demographics:

The WIRED region represents roughly 84% of Maine's population. Cumberland County has the largest population (265,612) and Piscataquis County the smallest (17,235).

**Figure A 21
Demographic Details**

| Measure | Regional Average | County Range | |
|-------------------------------|------------------|--------------|----------|
| | | High | Low |
| Educational Attainment | | | |
| High School Diploma | 35.1% | 43.7% | 28.2% |
| Post Secondary Degree | 32.0% | 42.4% | 20.0% |
| Per Capita Income | \$19,989 | \$23,616 | \$13,847 |
| Median Age | 38.4 | 42.7 | 37.2 |
| Unemployment Rate | 4.5% | 8.5% | 3.2% |

Site Visit Details

Date of visit: July 23-27, 2007

Site Visitors: Sherry Almandsmith and Hannah Betesh, BPA; June Chocheles, UCSD

Site Visit Respondents:

- Christina Sklarz-Libby, Program Manager, North Star Alliance Initiative
- Henry Renski, Deputy Program Manager, North Star Alliance Initiative
- Lance Boucher, Policy Advisor, Office of the Governor
- Doug Averill, Department of Administrative and Financial Services
- Elaine Scott, Marketing and Communications Director, DECD; NSAI Market and Business Outreach Pillar Manager
- Ian Kopp, Vice President/General Manager, Kenway Corporation
- Susan Swanton, Executive Director, Maine Marine Trades Association; NSAI Co-Chair
- Dr. Bob Lindyberg, Assistant Director for Boat-Building and Composites, AEW Center; NSAI R&D Pillar Manager
- Jacob Marquis, Senior Research Engineer, AEW Center
- Jake Ward, Executive Director, AEW Center
- Ginny Carroll, Workforce Program Director, Maine Department of Labor
- Melanie Arsenault, Executive Director, Tri-County WIB
- Bryant Hoffman, Executive Director, Central/Western Maine WIB
- Troy Alley, NSAI Industry Liaison, Aroostook/Washington Counties WIB
- Darren Winham, NSAI Industry Liaison, Central/Western Maine WIB
- Paul Williamson, NSAI Industry Liaison, Coastal Counties WIB
- Michelle Park, Workforce and Industry Liaison, Eastern Maine Development Corporation
- Suz Norton, Administrative Assistant, Eastern Maine Development Corporation
- Stacey Palmer, Education/Industry Liaison, Maine Marine Trades Association
- Michael Lessard, Marine Trades Coordinator, Center for Career Development, Maine Community College System
- Christa Baade, Program Developer, Coastal Enterprises, Inc.
- Alan Hinsey, Economic Development Specialist, Knox/Waldo Regional Economic Development Council
- Bruce Hopkins, CFO, Lyman Morse, Inc.

- Timothy Hodgdon, President, Hodgdon Yachts Inc.
- Steve Von Vogt, President, Maine Marine Composites; NSAI Industry Assoc. Coordinator
- Martin Grimnes, President, Harbor Technologies, Inc.
- Glen Shivel, Director of Marketing and Industry Relations, The Landing School of Boatbuilding and Design
- Andre Cocquyt, President, GRPGuru
- John Richardson, Commissioner, DECD
- Jim Nimon, Director, DECD; NSAI Capitalization Pillar Manager
- Laura Fortman, Commissioner, Maine Department of Labor
- Matthew Eddy, Director, Brunswick Economic Development Corporation (BEDC)
- Amanda Similien, Economic Development Specialist, BEDC

Early Implementation of Generation I WIRED Initiative
2007 Site Visit Highlights
Mid-Michigan Innovation Team

Introduction

Mid-Michigan's WIRED initiative, the Mid-Michigan Innovation Team (MMIT), covers a 13-county region anchored by Flint, Lansing, Midland, and Saginaw. MMIT aims to move beyond the region's historic past as the home of the automotive industry, to foster economic growth by focusing and leveraging its resources, infrastructure, experience base, and intellectual capital.

The initiative's primary goals include:

- **Innovation:** Reinventing the region's industrial base around innovation in future industries and growth in entrepreneurial firms;
- **Talent:** Developing next-generation talent through business- and entrepreneurship-based learning opportunities for workers and students in current and emerging industries; and
- **Collaboration:** Encouraging collaboration among the region's assets, partnerships, and networks; ensuring that resources are known and used to support transformation.

Working with partners across the region, MMIT developed a set of initiatives around five industry sectors: healthcare, advanced manufacturing, building and construction, the bio-economy, and entrepreneurship. In addition to asset mapping, WIRED activities include healthcare worker training and certification, bio-fuels training, research on fuel cell systems and powertrain integration, training and support of entrepreneurs, advanced manufacturing technology training, and certification in building and construction trades.

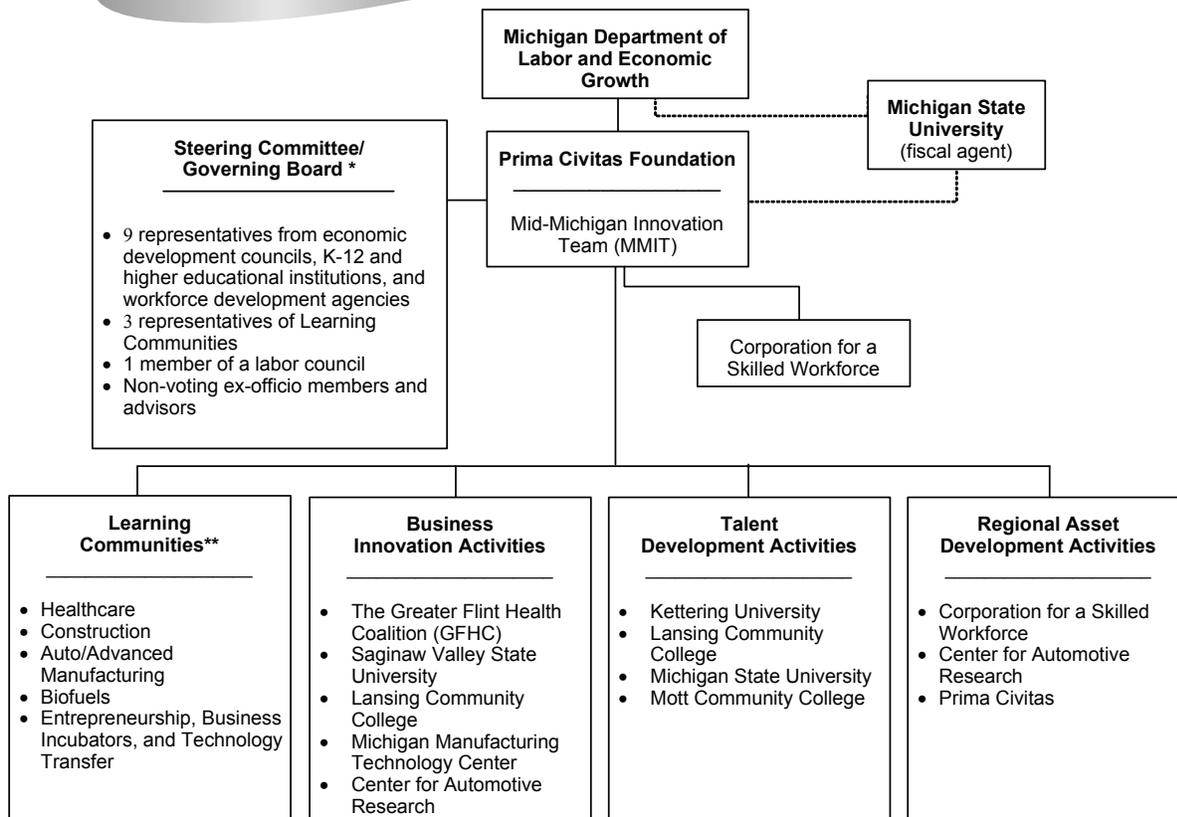
MMIT created Learning Communities for three of the targeted industries. These sector-based networks convene to foster industry growth and support efforts to attract and retain skilled workforces. Led by industry Champions, the Learning Communities provide a venue for regional collaboration and networking within each industry, as well as for sharing best practices, successful collaborative projects underway in each sector, and industry innovation. All MMIT grant recipients have been invited to be active participants in the Learning Communities that correspond with their grant-funded activities.

Michigan State University (MSU) is the fiscal agent for the WIRED grant, under subcontract to the Michigan Department of Labor and Economic Growth. The MMIT Steering Committee/Governing Board selected the Prima Civitas Foundation, a nonprofit community and economic development organization, to manage the WIRED initiative (see Figure A 22). The Prima Civitas management role was not included in the region's original WIRED budget; however, the partners recognized the need for a facilitator to support the execution of a diverse set of projects within the region. The MMIT projects agreed as a group to each allocate a portion of their planned grant funding to support this activity.

The 13 voting members of MMIT's Steering Committee/Governing Board include nine leaders of geographically dispersed economic development organizations; K-12 and higher educational institutions; workforce development agencies; the head of an important labor council; and representatives of the three Learning Communities. Ex-officio members include representatives of the C.S. Mott Foundation and the Michigan Department of Labor and Economic Growth.

Figure A 22

Mid-Michigan Innovation Team Partner Map



*MMIT uses both names in referring to this group.

A key partner in MMIT's administration is the Corporation for a Skilled Workforce (CSW). MMIT contracts with CSW to document the initiative's activities and outcomes; assist in increasing awareness about MMIT and developing a regional identity; inventory resources for entrepreneurs; identify resources and opportunities to ensure the sustainability of WIRED efforts; and survey public opinion about MMIT goals and activities.

Key Issues

Readiness for Collaboration

Prior to award of the WIRED grants, Michigan's Governor had already consolidated the state's economic development and workforce development agencies around the theme of the 21st Century Jobs Challenge. This effort identified strategic economic clusters and regional platforms that could potentially compensate for the loss of traditional industrial jobs. Drawing from \$1 billion in state tobacco settlement funds, a process had already been initiated to award economic development/workforce training grants to regions.

Partnerships

The MMIT initiative represents a complex system of interlocking partnerships. For example, Kettering University and Saginaw Valley State University (SVSU) together are implementing an Accelerated Entrepreneurship Initiative that will provide support to inventors and new ventures from across the region. At the same time, SVSU is working with Lansing Community College (LCC), the Mid-Michigan Intermediate School Districts (ISDs), and the Michigan Small Business and Technology Development Center (SBTDC) to develop a 12-course entrepreneurial certificate program and a small business and technology incubator. Other partnerships include Michigan State University, Dow Chemical Company, Dow-Corning, and a variety of investors and stakeholders, who have created the Rational Siting / Push-Pull Accelerator, a successful recipient of additional state funding. Another group of partners, consisting of the Michigan Manufacturing Technology Center (MMTC), MichiganWorks! agencies, and local economic developers, supports Mid-Michigan firms in developing new markets beyond the automotive industry and in addressing facility and job retention.

Sustainability

The MMIT Steering Committee/Governing Board has taken on responsibility for exploring relationships with foundations, government, businesses, and others to secure long-term support for economic development within the region.

Challenges

Regional Identity

Until Michigan received the WIRED grant, the counties included in the Mid-Michigan region were never considered to be a region. When two of the communities (Lansing and Flint) approached the Governor about submitting a WIRED proposal, she required them to add Saginaw to the region. Each of these communities has its own economy, requiring workers with varying education and skill levels. For example, Lansing and Midland are characterized by a highly educated, high-wage economy, while the economies of Flint and Saginaw are built upon small industrial supplier companies that use workers for manufacturing. Other parts of the region are rural, with economies driven by agriculture.

Shared Vision

Perhaps in part because of the manner in which the region was formed, the various partners in the Mid-Michigan region appear to have different ideas about the WIRED philosophy and goals. Key players in the three communities each described different goals for WIRED that were linked to their individual MMIT-funded projects, rather than recognizing the larger goal of transforming the region's economy.

Workforce System Involvement

The degree of involvement in the WIRED initiative by local workforce boards and their partners has been uneven. Site visit respondents identified a few WIB Directors as being notably collaborative in MMIT's transformational efforts, while other players in the region's workforce investment system had had only minimal involvement to date. Effective collaboration between MMIT and the workforce investment system at the local level remains something of a challenge.

Successes

Small Business Development

MMTC's Customer Marketing and Diversification Program has assisted a number of small businesses in determining new uses for their current products and diversifying their markets. One example company is a supplier to the snowmobile industry, which has been negatively impacted by the effects of climate change. MMTC provided staff with 80 hours of training, and worked with them in finding new uses and markets for their products and in developing a plan to penetrate new markets.

Talent Development

One of four MMIT projects at the Fuel Cell and Alternative Technology Center at Kettering University is the Sustainable Energy Pre-College Program. This effort allows high school students to take college courses related to sustainable energy, to tour production facilities, and to talk to employers about the types of skills their employees must have. Another successful talent development project is Lansing Community College's healthcare initiative, which offers, among other programs, associate and bachelor of science degrees in nursing, a fast-track program that allows licensed/credentialed practical nurses, paramedics, and respiratory therapists to become Registered Nurses in one year, and an accelerated nursing degree program designed for graduates of any baccalaureate program. To help alleviate its shortage of nursing instructors, LCC also has a Preceptor Program that awards scholarships to experienced nurses to obtain a Bachelor of Science degree in nursing and become faculty preceptors for the college's nursing students.

Leveraged Funds

MMIT has been successful in leveraging WIRED funding with resources from foundations, federal agencies, and other entities in the region. As of August 2007, MMIT had secured nearly \$10 million in complementary funds from organizations such as the Mott Foundation, the National Science Foundation, the U.S. Department of Commerce, the Michigan Department of Education, and MichiganWorks!

Regional Collaboration

The WIRED initiative developed Learning Communities as a strategy to promote networking across geographic, professional, business, and interest-based communities within the region. MMIT aims for these groups to support its efforts by defining challenges and WIRED-related goals for each industry group, and generating ideas for MMIT-funded projects. MMIT has been successful in engaging participation in the Learning Communities, despite the lack of a shared vision among its partners. A total of 38 organizations were represented at the joint first meeting of the MMIT Advanced Manufacturing and Healthcare Learning Communities.

Regional Facts

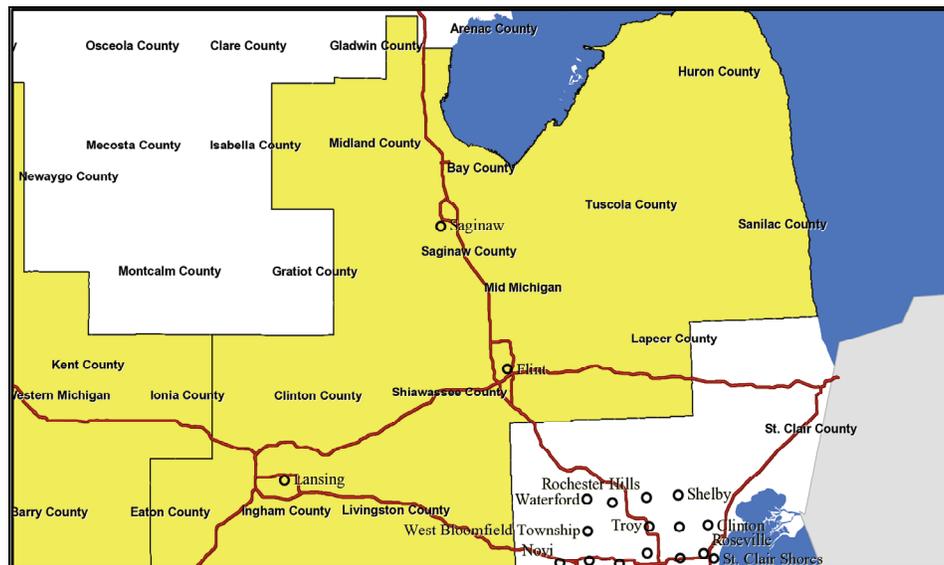
List of Counties:

Bay, Midland, Saginaw, Shiawassee, Clinton, Eaton, Ingham, Livingston, Tuscola, Genesee, Huron, Sanilac, Lapeer

Boundaries of Region:

The 13 county region is anchored by the cities of Flint, Lansing, Midland, and Saginaw, and includes the area called "the Thumb."

**Figure A 23
Regional Map**



Urban vs. Rural:

The region is primarily urban, with some rural areas.

Demographics:

With a population of two million, the Mid-Michigan WIRED region represents roughly 18% of Michigan's total population. Genesee County has the largest population (436,141) and a density of 671.6 persons/sq mile. The most rural county is Huron (36,079; 43.1 pop./sq. mile).

**Figure A 24
Demographic Details**

| Measure | Regional Average | County Range | |
|-------------------------------|------------------|--------------|----------|
| | | High | Low |
| Educational Attainment | | | |
| High School Diploma | 32.9% | 43.9% | 23.4% |
| Post Secondary Degree | 27.9% | 40.6% | 15.9% |
| Per Capita Income | \$21,049 | \$27,964 | \$16,837 |
| Median Age | 35.4 | 41.3 | 30.4 |
| Unemployment Rate | 5.8% | 7.6% | 3.0% |

Site Visit Details

Date of visit: August 22-24, 2007

Site Visitors: Mary Walshok, UCSD; Kay Magill and Glen Wolf, BPA

Site Visit Respondents:

- Irma Zuckerberg, Director of the Mid-Michigan Innovation Team (MMIT), Prima Civitas Foundation
- Dr. Paul Hunt, Associate Vice President for Research and Graduate Studies, Michigan State University
- David Hollister, President & CEO, Prima Civitas Foundation
- Ellen Sluka, Assistant to the MMIT Director, Prima Civitas Foundation
- Larry Good, Chairman of the Board, Corporation for a Skilled Workforce
- Lisa Katz, Senior Policy Associate, Corporation for a Skilled Workforce
- Janet Howard, Michigan Department of Labor and Economic Growth (DLEG)
- Shorty Gleason, Michigan Building and Trades Council
- Marv Pichla, Thumb MichiganWorks!
- Ed Oberski, Saginaw/Midland/Bay MichiganWorks!
- Nancy Hewat, Public Policy Associates
- Stan Kogut, Superintendent, Ingham Intermediate School District
- Doug Warner, Director, Continuing Professional Education and Grants, Lansing Community College (LCC)
- Toni Glasscoe, Director of Career Preparation & K-12 Articulation, LCC
- Al Nowak, K-12 Coordinator, WIRED/MMIT Healthcare Initiative, LCC
- Margie Clark, Nursing Program, WIRED/MMIT Healthcare Initiative, LCC
- Ed Donovan, Vice President, Genesee Regional Chamber of Commerce
- Dr. Dulcey Simpkins, Director, Center for Entrepreneurship and Commercialization, Saginaw Valley State University (SVSU)
- Monique Owens, Project Coordinator, Center for Entrepreneurship and Commercialization
- Dr. George Puia, Dow Chemical Chair in Global Business, College of Business and Management, SVSU
- Bruce Hart, Director, Independent Testing Lab, SVSU
- Don Schutt, Consulting Director, Mid Michigan Innovation Center, SVSU
- Tom Hasse, Senior Program Manager, Market Diversification, Michigan Manufacturing Technology Center (MMTC)
- Jim Whitacre, Bobier Tool
- Jennifer Sample, Woody's IEM
- Scott Walker, Midland Tomorrow
- Kathy Conklin, Saginaw Business & Education Partnership
- Jack Litzenberg, Senior Program Officer, C.S. Mott Foundation
- Dr. Joel Berry, Eugene W. Kettering Chair of Power Engineering, Kettering University
- Dan Luria, Director, Research and Benchmarking, MMTC
- Dr. Sean McAlinden, Director, Economics & Business Group, Center for Automotive Research (CAR)
- Bernard Swiechi, Center for Automotive Research (CAR)
- Tom Crampton, Executive Dean, Regional Technology Initiatives, Mott Community College
- Mott Community College, Regional Technology Center
- Charlie Lafayette, WIRED Grant Coordinator, Mott Community College
- Robert Matthews, Director, Mott Community College Workforce Development Department
- Chris Ruchs, School Liaison, Mott Community College Workforce Development Department
- Norma Hagenow, Chief Learning Officer and former CEO, Genesys Health System
- Holly Parker, Learning Communities Coordinator, Prima Civitas Foundation

Early Implementation of Generation I WIRED Initiative 2007 Site Visit Highlights WIRED West Michigan

Introduction

WIRED West Michigan aims to transform the region's workforce investment and education systems to provide the skilled workers needed for the region to compete in today's innovation economy. According to site visit respondents in the region, an innovation economy: is part of the global economy; has shorter product cycles and more rapid market penetration than the traditional economic model; is multi-disciplinary and technologically complex; requires high levels of collaboration; and blurs traditional boundaries. WIRED West Michigan's industry partners are drawn from three key sectors: life sciences, alternative energy, and sustainable manufacturing. To address its goal, WIRED West Michigan is developing and managing an "Innovations Lab," designed to spawn a range of "Innovations" that both encourage innovation and meet the training and workforce needs of employers in the region.

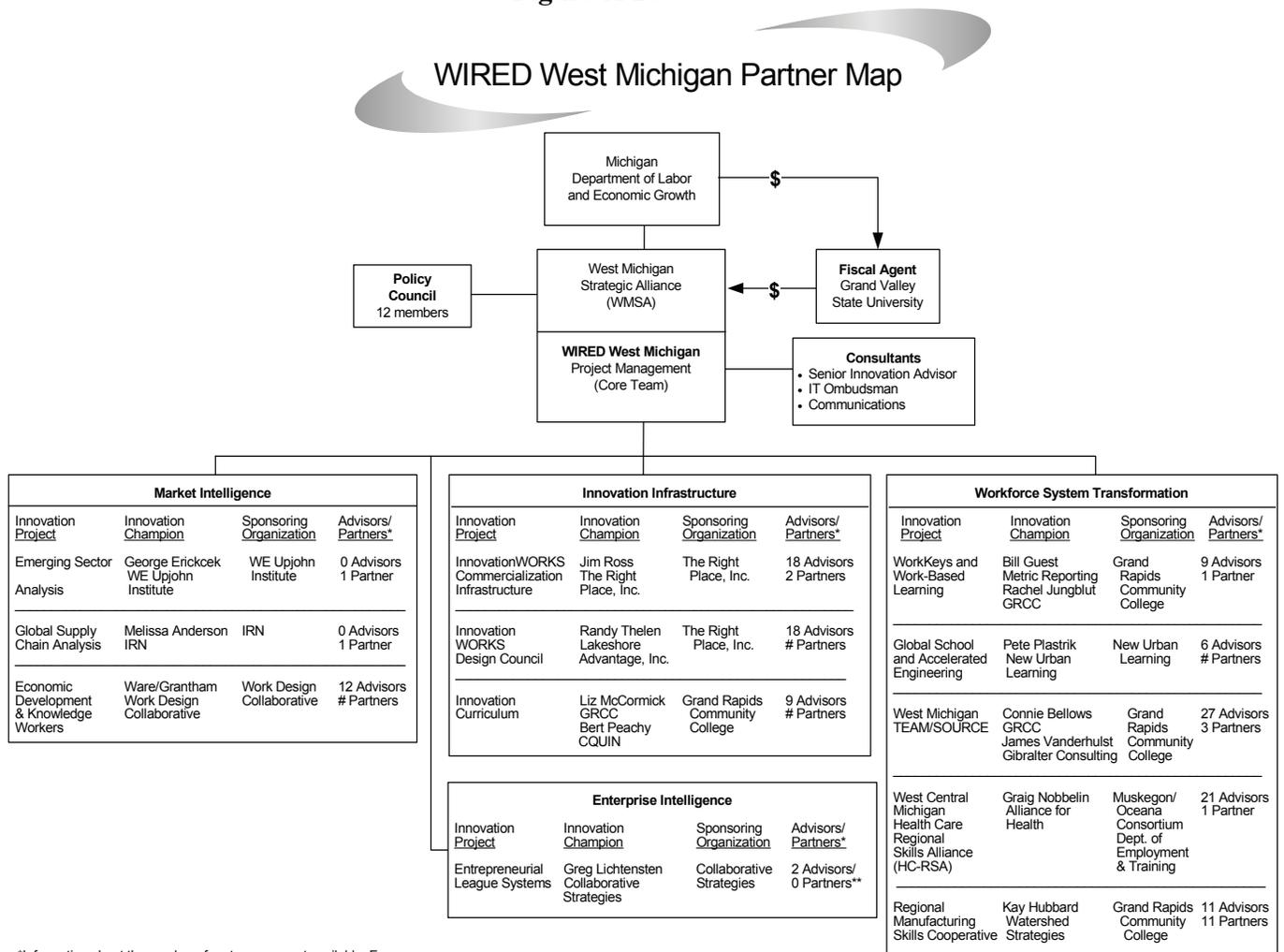
Grand Valley State University (GVSU) is the fiscal agent for the WIRED grant. The West Michigan Strategic Alliance (WMSA) manages the initiative with three full-time WIRED staff (the Core Team). WMSA also hired consultants to provide assistance with communications, information technology, and to serve as advisors for funded Innovations (see Figure A 25).

WIRED West Michigan's 12-member Policy Council includes representatives from industry, higher education, K-12 education, nonprofit organizations, government, and economic development organizations. The Policy Council, which meets quarterly, oversees the three-phase investment process for proposed Innovations: 1) Phase I, the concept phase, which during Year 1 of the grant built upon 12 pre-existing projects that were included in West Michigan's grant proposal; 2) Phase II, the prototype/business plan; and 3) Phase III, the implementation/sustainability phase. The Policy Council is responsible for reviewing and approving each Innovation's requests for funding renewal, including alignment with WIRED goals, potential impact on the region, and plans for sustainability.

Innovations may be one of four different types:

- **Market Intelligence** – The three Innovations in this group are identifying emerging and growth sectors in the global economy and the job skills needed to meet anticipated industry demand for workers, and developing innovative workplaces to attract and retain mobile knowledge workers;
- **Innovation Infrastructure** – Three Innovations have been funded to design training programs for careers in the identified growth industries, develop a culture of innovation to support new product and business creation, and develop mechanisms for collaboration within the region's manufacturing industries;
- **Workforce System Transformation** – Five workforce system Innovations are designed to establish a credentialing system to benchmark worker skills, and develop support programs that enable workers to gain and keep long-term, career-focused employment;
- **Enterprise Development** – has one project, focused on stimulating entrepreneurship and new business creation in key sectors of the innovation economy.

Figure A 25



*Information about the number of partners was not available. For many of the Innovations, advisors also serve as partners.

**This project was terminated in June 2007 because no regional partner could be identified.

Each Innovation has:

- A **Sponsoring Organization** that is the institutional home of the Innovation during the project’s development;
- An **Innovation Champion/Project Manager**, either an employee of the Sponsor or a contractor, responsible for managing the development of the Innovation;
- At least one **Advisory Group** to serve as the “voice of the customer” during the Innovation development process and to provide insight and guidance. As the Innovations evolve, their Advisory Groups continue to grow and many of the groups now have more than 20 participating members, with over 100 total entities represented across all of the Advisory Groups; and
- An individualized set of **Innovation Partners** who help implement the Innovation.

The Policy Council anticipated that some Innovations would be completed during Year 1 of the WIRED grant, while others would request additional funding allocations in Years 2 and 3. This model gives the initiative the flexibility to start new Innovations, and the ability to ensure that only the projects with the highest probability of success move forward. For example, WIRED West Michigan originally planned to execute Phase I of the Entrepreneurial League System,[®] but dropped the project after determining that it lacked a local champion and was therefore not self-sustainable. To date, five Innovations have completed Phase I and moved on to Phase II.

Key Issues

Regional Identity

In 2000, business and community leaders from the West Michigan Metro Tri-Plex (Grand Rapids, Holland, and Muskegon) formed the WMSA to create a shared vision for the region for the next 25 years, and to foster collaboration between government, economic development, workforce, education, and nonprofit organizations. WMSA conducted an 18-month strategic planning process that solicited input from 250 diverse participants, and identified six priorities for regional collaboration: creating a regional mindset, ensuring a sustainable environment, revitalizing urban centers, developing a growth strategy for the Tri-Plex, strengthening the community through diversity, and publishing a position paper advocating regional collaboration. The result was a set of regional indicators and establishment of a regional brand for West Michigan: “*West Michigan - The best place in the mid-west to live, learn, work and play.*”

Partnerships

Several of the Innovations selected for Year 1 funding, such as the West Michigan TEAM employee assistance program and the Health Care Regional Skills Alliance, evolved out of active programs within the region and, prior to the WIRED grant, were already actively collaborating with government, education, industry, or nonprofits. In addition, new partnerships have also been formed as the initiative moves forward. School districts, community colleges, local workforce boards, and businesses are collaborating to promote and implement WorkKeys, a skills assessment program that is the basis for the National Career Readiness Certificate. One-Stop Career Centers have been very active in promoting WorkKeys and Wagner-Peyser staff now use a credential level in their job postings

Sustainability

Many of the region’s WIRED Innovations, such as the Manufacturing Skills Cooperative and West Michigan TEAM, derive revenue from employer or participant fees that will enable the projects to be self-sustaining after WIRED funding is gone. The Policy Council recently published guidance for Innovation grantees that emphasized securing other sources of funding to ensure post-WIRED sustainability, and specified that only self-sustaining, scaleable Innovations will receive funding for Phases II and III.

Challenges

Administration

The original Project Manager resigned in November 2006 for personal reasons and was replaced with a member of the Policy Council. Turnover of key staff is typically challenging in situations such as this; however, because the incoming Project Manager had a history of both industry and community involvement, he was able to effectively lead WIRED West Michigan through the

transition period. The initiative also experienced the departure of its first Innovations Advisor, who was contracted to serve during the first year only, and the project historian, whose position was eliminated; several respondents expressed that they expected that this turnover could present a challenge for the initiative.

The structure defined to support the development of each Innovation is very complex and can involve more than 20 partners. Good project management and communication mechanisms are extremely important to gather input from stakeholders and integrate this feedback into the Innovation development cycle. WIRED West Michigan also built, and continues to upgrade, a collaborative workspace for the region that shows the regional structure and offers enhanced collaboration tools.

WIRED West Michigan also faced the challenge of using vocabulary for its activities and participant roles (e.g., “Innovations,” “Champions”) that was confusing to both the media and the region’s non-WIRED leaders. To address this issue, WIRED staff contracted with a communications firm to build regional awareness of WIRED project activities and successes.

Regional Collaboration

Despite an existing regional identity, the challenge for West Michigan is *acting* regionally, particularly because of pre-existing tension between the region’s three major cities (Grand Rapids, Holland, and Muskegon). The cities have independent workforce investment boards (WIBs) and also have separate economic development agencies, which means that each is motivated to act more locally than regionally. In addition, Grand Rapids is often viewed as the “seat” of the region, which may inhibit some potential partners in neighboring communities from participating in WIRED if they assume that Grand Rapids will receive more attention and resources than the rest of the region. Adding to this concern is the fact that, although the Policy Council is intended to include all seven counties in the WIRED region, some counties did not have representation on the Council at the time of the site visit due to the attrition of a few members. However, WMSA was in the process of identifying replacement candidates for the Council. Involving the rural counties in WIRED activities has also been a challenge, since none of the Innovations included in the original proposal were centered in rural areas, and WIRED West Michigan has not asked for new Innovation proposals to be submitted. WMSA is taking an active role in ensuring that organizations in the rural counties are informed about various ways they may be able to support existing Innovations, and about the process for submitting Innovation proposals should funding become available to support new projects.

Successes

Collaboration

In August 2007, the Regional Manufacturing Skills Development Co-op Innovation launched a shared portal/website where regional manufacturing companies can complete assessments on best practices. The website allows partners to share “best in class” ideas and experiences to support organizational and skills development activities.

Support for Small Businesses and Their Workforces

One of the Innovations, West Michigan TEAM (Tri-Sector Employment Advancement Model), is replicating the Grand Rapids-based SOURCE program throughout Western Michigan.

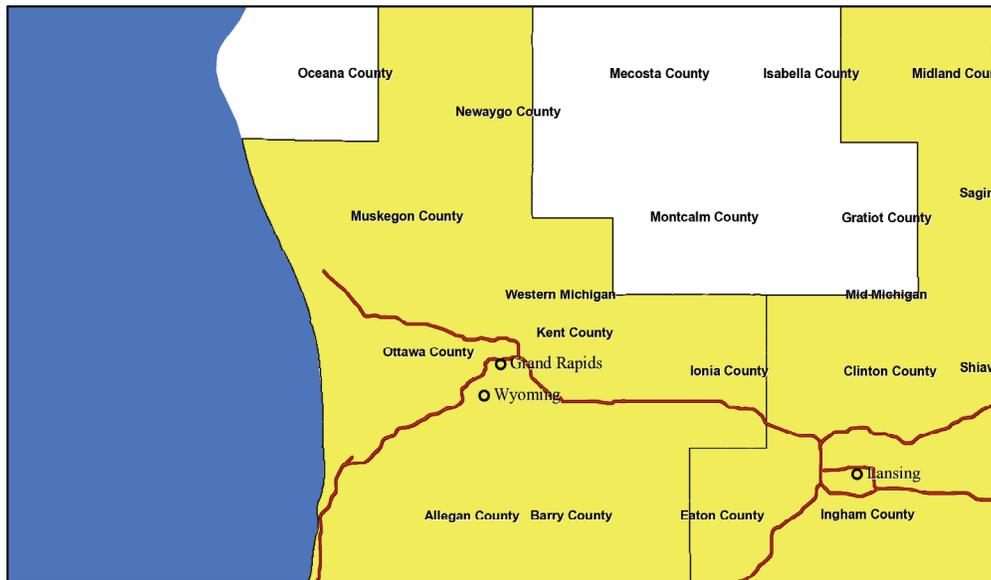
SOURCE assists small businesses by: 1) providing a state social worker for case management services to employees leaving welfare; 2) connecting employees with social services to assist with transportation, housing, and other potential barriers to work; and 3) helping workers when they are ready to advance to a new position. The program is a successful collaboration between the public, private, and nonprofit sectors, and West Michigan TEAM's Board of Directors will include members from each sector.

Credentialing and Skills Development

WIRED West Michigan's National Career Readiness Certificate (NCRC) Program has far exceeded its 2007 goals for testing (by 129%) and issuing National Career Readiness Certificates (161%). The initiative is also on track to meet its goals for increasing the number of employers using the certification.

Regional Facts

**Figure A 26
Regional Map**



List of Counties:

Kent, Allegan, Ottawa, Muskegon, Newaygo, Barry and Ionia

Boundaries of Region:

The Grand Rapids-Muskegon-Holland metropolitan statistical area (MSA) had consisted of 4 counties (Allegan, Kent, Ottawa and Muskegon) until 2003, when OMB redefined the west Michigan region as three separate MSA's: a) Grand Rapids-Wyoming, including Barry, Kent, Ionia, and Newaygo Counties; b) Holland-South Haven, covering Ottawa County, Muskegon-Norton Shores, and Muskegon County; and 3) Allegan County. Unfortunately, the U.S. Census still uses the old four-county MSA, while the BLS provides employment data for the new MSA's alone (excluding Allegan).

Urban vs. Rural:

The region includes areas that are urban, suburban and rural.

Demographics:

The West Michigan WIRED region represents roughly 13% of Michigan’s population. The most populated county is Kent County (74,335; density of 658.7 pop./sq. mile). The least populated county is Newaygo with 47,874 residents and 55.6 pop./sq. mile.

**Figure A 27
Demographic Details**

| Measure | Regional Average | County Range | |
|-------------------------------|------------------|--------------|----------|
| | | High | Low |
| Educational Attainment | | | |
| High School Diploma | 32.3% | 40.4% | 28.2% |
| Post Secondary Degree | 29.0% | 33.5% | 17.3% |
| Per Capita Income | \$20,205 | \$21,318 | \$16,738 |
| Median Age | 33.5 | 37.0 | 32.6 |
| Unemployment Rate | 4.5% | 5.8% | 4.0% |

Site Visit Details

Date of visit: August 27-29, 2007

Site Visitors: June Chocheles, UCSD; Hannah Betesh and Glen Wolf, BPA

Site Visit Respondents:

- J. Gregory Northrup, President, West Michigan Strategic Alliance
- Phillip Rios, WIRED Project Manager
- David Bisbee, WIRED Assistant Project Manager
- Maura Warren, WIRED Administrator
- Andrew Powell, WIRED IT/Ombudsman, 2GTech
- John Cleveland, WIRED Innovations Advisor
- Carole Williams, Fiscal Agent WIRED Grant, Grand Valley State University
- Don Hunt, Partner, Managing Director, Lambert, Edwards & Associates
- Kelly Smallegan-Maas, Senior Associate Lambert, Edwards & Associates
- Keith Brophy, President, NuSoft Solutions, Inc.
- Jim Fisher, Manager, Padnos Shoreline Recycling, Inc.
- Fred Keller, Chairman, Cascade Engineering, Inc.
- Susan Meston, Superintendent, Muskegon Intermediate School District
- Lynne Sherwood, Chairman, JSJ Corporation
- Erin Kauth, Program Supervisor, Ottawa City MichiganWorks!
- George Erickcek, Senior Regional Analyst, W.E. Upjohn Institute
- Craig Nobbelin, Regional Skills Alliance Coordinator, Alliance for Health

- Liz McCormick, Grand Rapids Community College (GRCC)
- Jim Ross, Regional Manager, Advanced Manufacturing Strategies MMTC-West, The Right Place, Inc.
- John Buchan, Chief Operating Officer, Autocam, Inc.
- Julie Parks, Program Manager for Training Solutions, Manufacturing Skills Co-op, GRCC
- Connie Bellows, Executive Director, Delta Strategy
- James VanderHulst, Founder and Principal, Gibraltar Consulting
- Charlie Grantham, Co-Founder and Principal, Work Design Collaborative
- Jim Ware, Co-Founder and Principal, Work Design Collaborative
- Andrew Brower, Executive Director, The SOURCE
- Ron Koehler, Assistant Superintendent, Kent Intermediate School District
- Eric Williams, Executive Director for Workforce Training, GRCC
- Bill Guest, Managing Director, Metrics Reporting, Inc.
- Rachel Jungblut, Program Manager, Training Solutions, GRCC

Early Implementation of Generation I WIRED Initiative
2007 Site Visit Highlights
Montana Agro-Energy Plan (MAP)

Introduction

The purpose of Montana’s WIRED initiative, called the Montana Agro-Energy Plan (MAP), is to establish a globally competitive bio-energy and bio-products cluster in Central and Eastern Montana using partnerships with business and industry, education, community development organizations, state and tribal governments, and philanthropic foundations. MAP has four goals for transforming the region:

- Develop a world-class bio-products industry that catalyzes regional economic transformation from an agricultural commodity-driven economy to a value-added economy that supports regional prosperity in Eastern and Central Montana;
- Develop a highly trained and stable/growing workforce to support bio-products and other value-added agricultural products;
- Create an agile, integrated talent development system (workforce, education, and economic development) that is responsive to business needs and will prepare state residents to act quickly to take advantage of new economic opportunities; and
- Create an inclusive and sustainable regional identity and leadership structure that will promote innovation and ensure the long-term success of the transformational initiative.

Montana’s Department of Labor and Industry (DLI) is the fiscal agent for the WIRED grant and manages the initiative. DLI contracts with the state Departments of Agriculture and Commerce, and the Office of the Commissioner of Higher Education (OCHE), to carry out MAP activities (see Figure A 28). The Directors of Agriculture, Commerce, and Labor and Industry, two members of the State Workforce Investment Board, and senior officials from Higher Education and the Governor’s Office of Economic Development serve as voting members of the Executive Committee, which provides guidance to the initiative and reviews proposals and the selection of grantees. Nonvoting members of the Committee include MAP project managers from the Departments of Agriculture, Commerce, and OCHE, and two senior DLI managers.

MAP activities include supporting four Bio-Product Innovation Centers (BPICs) in the region, developing a Bio-Energy Innovation and Testing Center at Montana State University, Northern, developing curricula on bio-fuels, providing technical assistance to employers on manufacturing, training workers of bio-energy companies, providing certificate training for unemployed and underemployed individuals in the region, and building collaboration at the local level across the region.

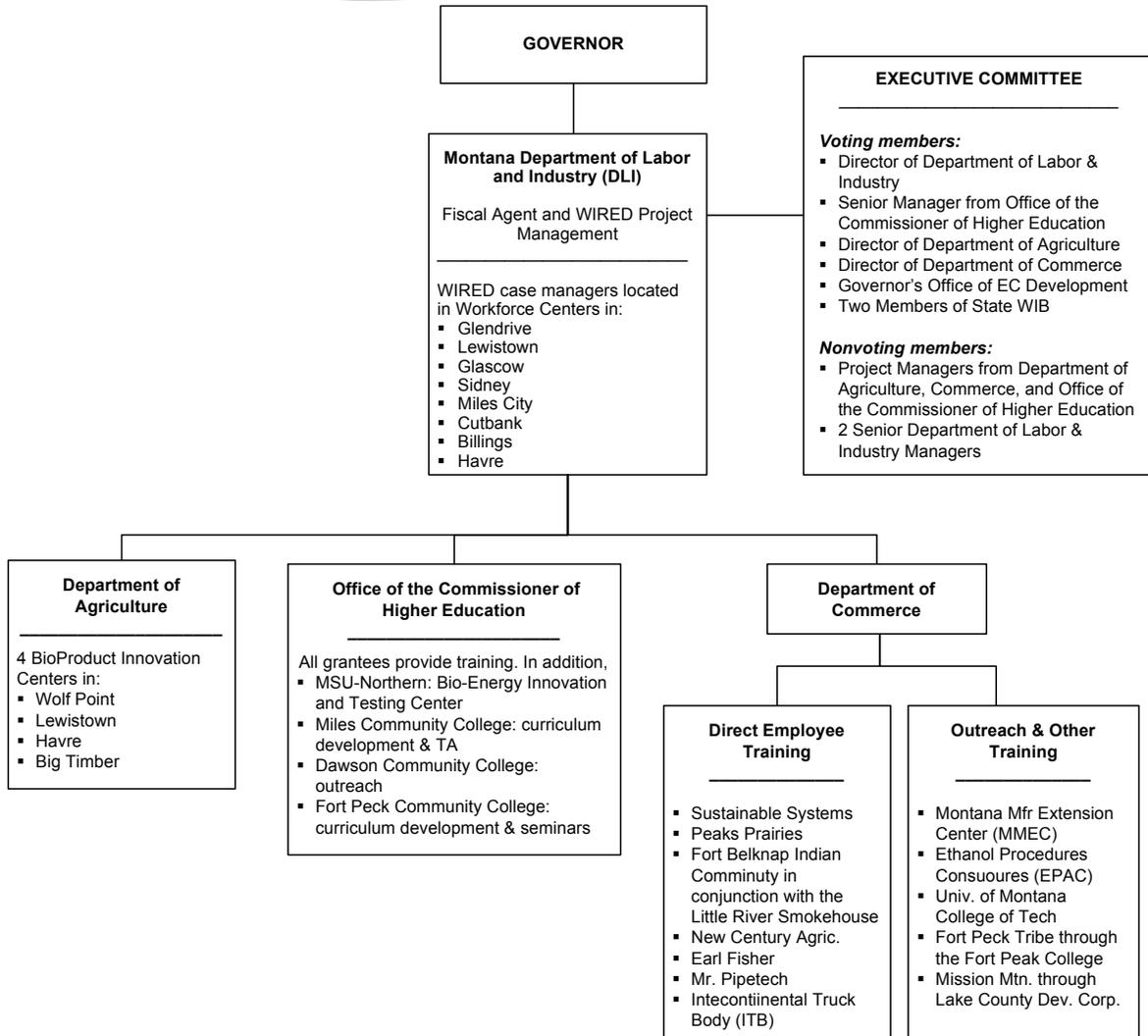
Key Issues

Involvement of the Workforce Investment System

Montana has a single workforce investment board (WIB) for the state. Community Management Teams composed of local representatives from both mandatory and other One-Stop partners oversee the operation of most of the state’s 23 comprehensive One-Stop Career Centers (called Workforce Centers). These teams provide the state WIB with input about local issues and needs, and represent the concerns of their communities to the WIRED initiative.

Figure A 28

Montana Agro-Energy Plan Partner Map



During its second grant year, MAP co-located WIRED case managers within the nine Workforce Centers in the region. These staff are working with the Community Management Teams to encourage collaboration between the Workforce Centers, economic development staff, educational institutions, Tribal Nations and colleges, and employers. With management of the WIRED initiative seated in the state labor agency and WIRED case managers working within Workforce Centers, MAP is influencing the workforce investment system both from the top down and from the bottom up.

Readiness for Collaboration

Since his election in 2005, Montana’s Governor has focused the state’s economic development efforts in two directions: 1) energy development; and 2) value-added agriculture. His office

completed the first phase of strategic planning to support growth in these areas by conducting a “SWOT analysis” (i.e., analysis of strengths, weaknesses, opportunities, and threats) for the state’s economy, including the bio-energy and bio-fuels industries. A number of site visit respondents noted that the Governor’s involvement and commitment facilitated MAP’s implementation by providing a well-publicized framework in which the initiative could form partnerships with both state agencies and businesses.

Scale of Impact

As with the other WIRED regions, MAP’s goals included creating (or retaining) jobs throughout the region. The vast majority (85%) of jobs in Montana are with companies with 10 or fewer employees, however, and site visit respondents emphasized that because the region’s communities are so small, a small number of jobs can change the spirit of a community. Many high schools in the region have closed, and students are bused many miles to the next town to go to school. This is often the beginning of the end for small towns. If MAP can save five or 10 jobs, the high school can be saved; another 10 or 20 new jobs represent economic transformation for the community.

Challenges

Regional Identity

Montana is a tale of two economies. The western part of the state has a vital and growing economy (often referred to by Governor Schweitzer as “The Boot Economy” since, on the map, that part of the state roughly resembles a boot). All cities and towns of any significant size are located in this region. On the other hand, the economy of the central and eastern part of the state is based on agriculture and is declining. The WIRED region covers 32 counties and six Indian reservations, a total of 86,000 square miles with a population of less than 180,000. The largest town in the region has a population of just under 10,000.

Forging a distinct identity for the WIRED region is difficult because of the small population and the distances involved. Furthermore, residents may be reluctant to accept the initiative’s definition of the MAP region because Montanans are independent and tend to be skeptical of government initiatives. MAP has adopted several strategies that aim to foster development of a regional identity, including co-locating WIRED case managers in Workforce Centers, and conducting outreach and education about bio-fuels and the WIRED initiative.

Partnerships

From the start of his term, Montana’s Governor has involved the Tribal Nations in his strategic efforts, recognizing their status as sovereign entities. Similarly, Montana’s WIRED proposal identified the Tribal Nations and their community colleges as key partners for the initiative. Montana’s proposal originally called the WIRED initiative the “New Homestead Act.” This name had negative connotations for the Tribal Nations because of the impact upon their people of the homestead movement of the late 19th and early 20th centuries. As a result, the Executive Committee changed the initiative’s name to the Montana Agro-Energy Plan.

Building Collaboration

The size of the region is a barrier to convening the regular in-person meetings that can be useful for cementing working relationships and moving collaborative efforts forward. In addition to

using telephone and email, WIRED staff are looking at expanding the existing Montana WIRED website to create a virtual community.

MAP staff have encountered some resistance in organizing a bio-fuel industry cluster group made up of bio-fuel producers, small energy companies, researchers at colleges, and potential sources of business financing. The initiative continues to encourage the participation of these key players by emphasizing the advantages of collaboration.

To facilitate communication and collaboration between WIRED partners, in August 2007 MAP convened a Montana WIRED Academy for its partners and grantees at Montana State University, Northern in Havre. Presenters included both industry representatives and project managers who updated over 75 attendees about MAP activities, discussed issues related to different bio-fuels, and encouraged networking across the region.

Growing a New Industry

Several challenges face the new bio-fuels producers in Montana. First, farmers are reluctant to abandon growing wheat for oil seed because of the security offered by federal crop insurance (which does not cover oil seed). Site visit respondents discussed lobbying Congress for legislative changes that would address this problem. Second, the basic infrastructure needed for manufacturing (e.g., power transmission lines, water, sewer, transportation—highways, rail—to get product to market) are insufficient in many parts of the region. While WIRED funds cannot be used to build infrastructure, through MAP's evolving education processes and partnerships, partners hope to facilitate improvement and availability of needed services.

Successes

Sustainability

An early accomplishment of the MAP initiative was the Montana Governor's Executive Order establishing the cooperative agreement between the state's WIRED partner agencies. The Executive Order institutionalizes the cooperative efforts of the four agencies (DLI, Departments of Agriculture and Commerce, and OCHE) focused on the MAP goals, and states that the agencies will continue to work together beyond the three-year WIRED grant period. MAP partners believe that this commitment will ensure that the working relationships they are now building will endure.

Bio-Product Innovation Centers

With WIRED funding, Montana's Departments of Commerce and Agriculture have partnered to create Bio-Product Innovation Centers (BPICs) in four communities in the MAP region. Trained personnel at these regional centers provide technical assistance to farmers, private entrepreneurs, university officials, and others interested in developing projects to enhance the rural economy of the region through bio-based and value-added agricultural ventures. The BPICs serve the additional functions of aiding WIRED outreach efforts, sustaining the engagement of producer and local communities, and showing community members' actual progress in the industry.

Leveraged Funds

MAP has secured \$4.6 million in leveraged funds from state and federal sources for motor oil development, technical assistance, and a community-based job training grant. With the

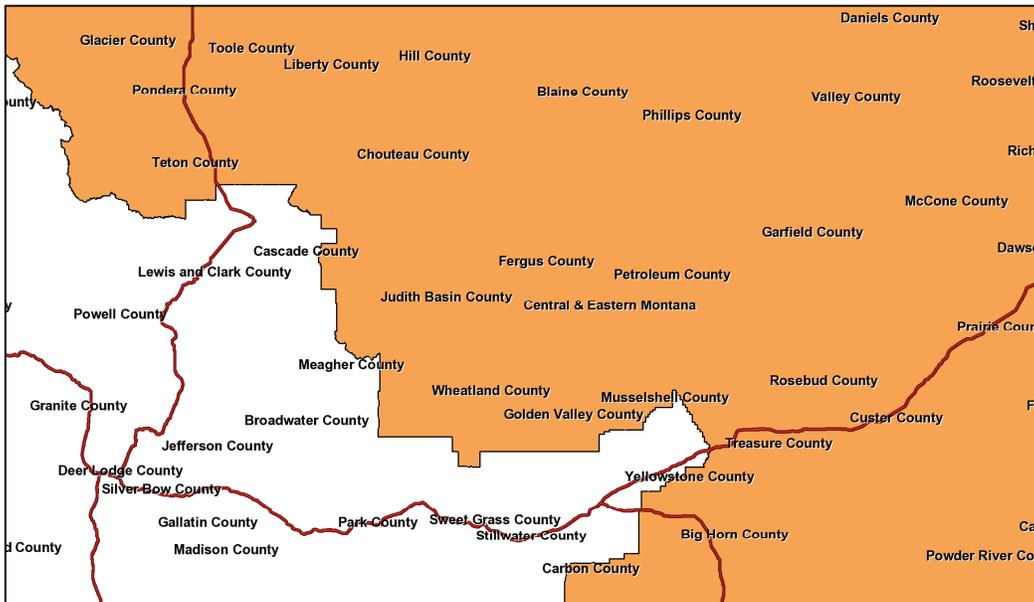
assistance of Montana’s Department of Commerce, MAP has obtained an additional \$26 million in leveraged funds from industry, private capital, and equity investments in small bio-fuel companies. These funds are supporting construction, development, and operation of several small bio-fuel manufacturing facilities.

Bio-Energy Innovation and Testing Center

Working with Montana State University, Northern and other partners, MAP has established the Bio-Energy Innovation and Testing Center in northern Montana. The Center plays several critical roles in supporting the bio-energy industry: 1) providing fuel, performance, and emissions testing for all bio-fuels, additives, and bio-lubricants developed for both automotive and diesel engines; 2) fostering the growth of bio-energy businesses with a business incubator that offers assistance with marketing, business plan development, grant writing, and office space; and 3) providing state-of-the-art training to future workers in the industry.

Regional Facts

**Figure A 29
Regional Map**



List of Counties:

Hill, Blaine, Phillips, Valley, Daniels, Sheridan, Chouteau, Fergus, Petroleum, Garfield, McCone, Roosevelt, Richland, Dawson, Judith Basin, Wheatland, Golden Valley, Musselshell, Rosebud, Prairie, Wibaux, Bighorn, Treasure, Powder River, Carter, Fallon, Custer, Glacier, Pondera, Teton, Toole, Liberty

Boundaries of Region:

The eastern, agricultural portion of the state encompassing 32 counties and 6 Indian Reservations

Urban vs. Rural:

This entire region is rural.

Demographics

The Central & Eastern Montana region represents roughly 20% of Montana’s population, but 80% of its land area. Hill County has the largest population (16,673), and Petroleum County the smallest (493).

**Figure A 30
Demographic Details**

| Measure | Regional Average | County Range | |
|-------------------------------|------------------|--------------|----------|
| | | High | Low |
| Educational Attainment | | | |
| High School Diploma | 33.0% | 43.4% | 25.1% |
| Post Secondary Degree | 26.4% | 29.0% | 17.3% |
| Per Capita Income | \$13,992 | \$15,960 | \$10,375 |
| Median Age | 38.1 | 48.7 | 29.8 |
| Unemployment Rate | 7.6% | 15.7% | 1.9% |

Site Visit Details

Date of visit: August 10-15, 2007

Site Visitors: Sherry Almandsmith, BPA; and Peter Thomas, UCSD

Site Visit Respondents:

- Adam De Yong, WIRED Project Director, Montana Department of Labor and Industry
- Arlene H. Parisot, Director of Two-Year Education and Workforce Development, Office of the Commissioner of Higher Education (OCHE)
- Keith Kelly, Commissioner, Montana Department of Labor and Industry
- Ingrid Childress, Administrator of Workforce Services Division, Montana Department of Labor and Industry
- David Hall, WIRED Grants Manager, OCHE
- Brian Spangler, Business and Community Assistance Program Manager, Montana Department of Environmental Quality
- Jim Haider, WIRED Field Engineer, Montana Manufacturing Center
- Todd Daniels, Field Engineer, Montana Department of Commerce
- Joel A. Clairmont, Interim Director, Montana Department of Agriculture
- Nancy Faroni Guccione, WIRED Program Manager, Montana Department of Commerce
- Paul Tuss, Executive Director, Bear Paw Development Corporation of Northern Montana
- Bob Giese, Business Development Manager, Snowy Mountain Development Corporation
- August Uhl, WIRED and Montana Manufacturing Center Project Assistant
- Tracey Jette, Bio-Product Innovation Center Network Coordinator, Montana Department of Agriculture

Early Implementation of Generation I WIRED Initiative
2007 Site Visit Highlights
Finger Lakes WIRED

Introduction

The Finger Lakes WIRED Region aims to become a premier place in which to innovate, invest in entrepreneurial operations, and educate workers. The region lost tens of thousands of jobs when Kodak, Bausch & Lomb, Xerox, and their supplier networks suffered massive declines. WIRED has targeted the following growth clusters: Optics and Imaging, Biotech and Life Sciences, Food and Agriculture, and Alternative Energy. The initiative also aims to leverage regional competencies in Advanced Manufacturing, Information Technology, and Business Support Services.

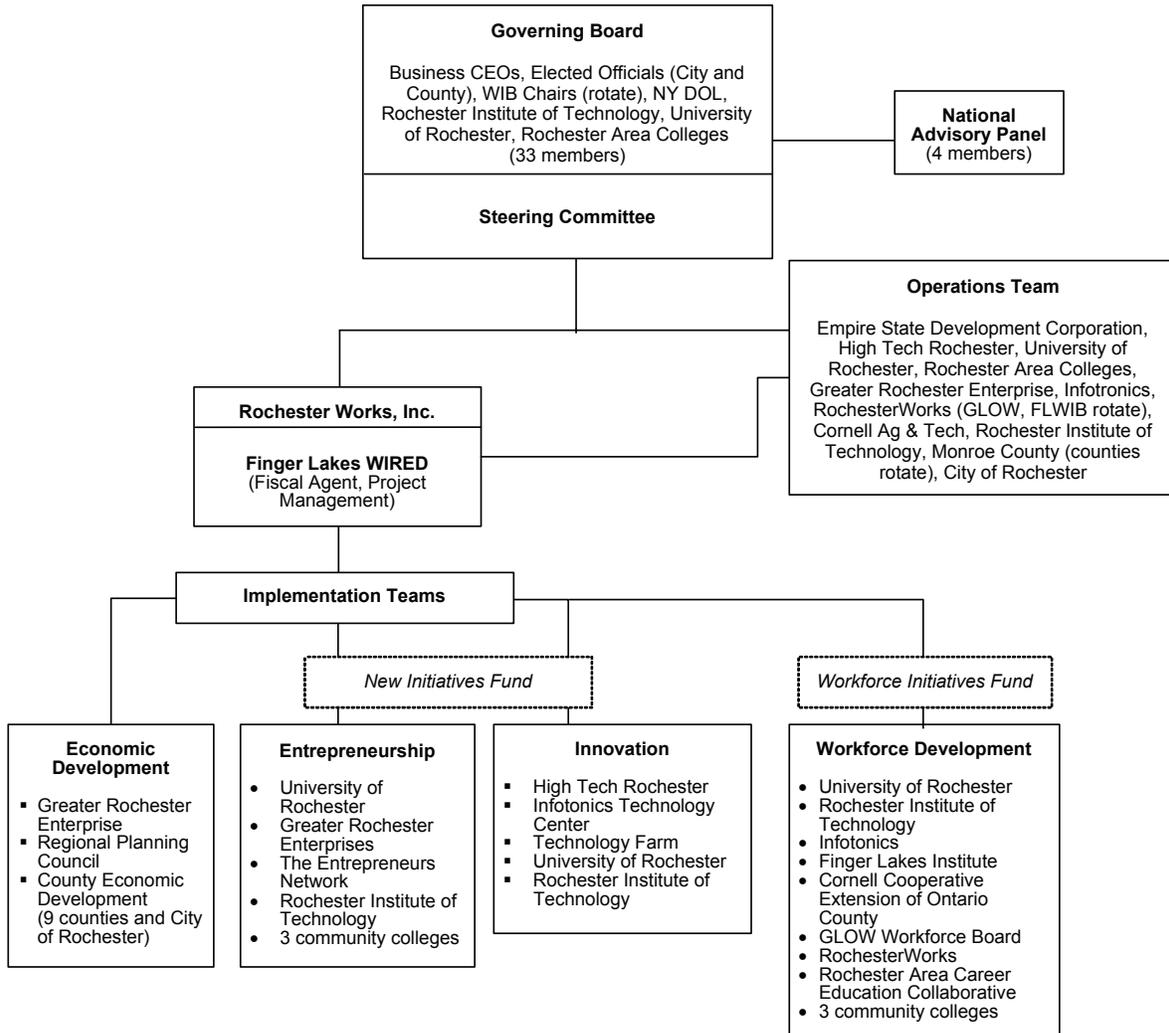
The lead organization for the WIRED effort is RochesterWorks, Inc., the local workforce investment board (WIB) for one of the three local workforce areas covered by the WIRED region. RochesterWorks is the WIRED fiscal agent, and its CEO serves as Manager of the WIRED initiative. The Governing Board sets the overall strategy for the initiative. The Board has 33 members representing a broad cross-section of economic development and workforce investment organizations, educators, and trade associations. Board members are Presidents (including one representing the 18 Rochester Area colleges), CEOs, or Chairs from partner organizations, a school superintendent representative, and elected officials from throughout the region. A subset of Governing Board members comprises the Steering Committee, which functions as the executive committee of the Board (see Figure A 31). In addition, the Governing Board has engaged a nationally prestigious advisory committee to provide guidance, feedback, and ideas for increasing effectiveness.

The Operations Team consists of approximately 15 managers from the partner organizations represented on the Governing Board. This team works together to increase region-wide engagement and oversee WIRED-funded projects.

Interdisciplinary Implementation Teams oversee activities in four initiative areas: innovation, entrepreneurship, workforce investment, and economic development. The Operations Team established a New Initiatives Fund to support entrepreneurship and innovation projects and a Workforce Innovations Fund for workforce investment projects. The WIRED staff work with the entrepreneurship and innovation teams to manage the application process for accessing this fund and to coordinate the specific projects selected for each area. To date, the Governing Board has approved funding for five entrepreneurship projects, including a business plan competition, development of a master's degree program in the commercialization of science and technology, and a young entrepreneurs academy. Three innovation projects have been funded, including assisting businesses in applying for federal Small Business Innovation Research (SBIR) grants, and technology transfer assistance. The Implementation Team for workforce investment is similarly responsible for selecting and overseeing the four projects financed by the Workforce Innovations Fund, including development of a regional apprenticeship system, educator internships, science and technology camp for high school students, and a scholarship fund for employers to train their workers.

Figure A 31

Finger Lakes WIRED Partner Map



Key Issues

Unique Features of Finger Lakes

The Finger Lakes WIRED region is distinctive in that a hundred years ago, it was one of the most innovative hubs in the United States. It was home to start-up companies that became global leaders, including Kodak, Bausch & Lomb, and Xerox. These global multinational corporations created enormous prosperity in the region and, along with it, a paternalistic and relatively closed society. The effort to build a more inclusive society began in the 1970s, as technology industries were beginning to think globally. For two decades, the region has been struggling to envision its future, and has gone from ranking number three nationally in per capita income to number 238. Colleges and universities now represent the largest employers in the region, and the most promising source of ideas and talent for rebuilding the economy.

Sustainability

The prospects for sustainability of Finger Lakes WIRED remain uncertain, as the initiative has not yet starting planning beyond the end of its WIRED grant. Many stakeholders stated that “it is not yet clear what we want to sustain” and therefore “we don’t know what a sustainability strategy would be.” Most individuals who saw the potential for sustainability identified Greater Rochester Enterprise (GRE) as the potential home for a nine-county regional collaborative.

Challenges

Regional Identity

The Finger Lakes WIRED region covers the nine counties that include and surround Rochester, New York, a portion of the larger Finger Lakes region recognized by tourist boards and the state. The traditional dominance of the City of Rochester in regional affairs, and the fact that Rochester-based organizations have led early WIRED implementation, has created tension with the region’s other eight—primarily rural—counties. Rochester and Monroe County contain most of the research universities in the region that prepare students for knowledge-based jobs, as well as most of the companies and organizations that have received WIRED funds. The economies in the other eight counties are centered around agriculture, wineries, and tourism. While serving on the Governing Board, representatives of these counties expressed concern that a small Rochester-based group was driving the WIRED initiative. This topic dominates discussion at Governing Board meetings, but has yet to be resolved.

Readiness for Collaboration

The upstate New York region, particularly Rochester and Monroe County, has been struggling with the issue of economic transformation for more than a decade. The region and individual counties have studied assets and gaps, and partners region-wide are aware of the challenges and the importance of new approaches to workforce investment and economic development. Nonetheless, collaboration among the many and diverse constituencies is a major challenge.

The Rochester area has a legacy as a large “company town” in which hierarchical decision-making by leaders from a few major corporations and civic institutions dominated civic life. The history and governance of the WIRED initiative reflects this “top down” model. Some site visit respondents described the creation of WIRED by a small group, who also informally pre-allocated funds for the projects. Divisiveness about resource allocation, and about what the true center of gravity needs to be, suggests that the region is still sorting out how to collaborate in a meaningful way. A shared vision, a shared sense of identity, and a shared sense of ownership of the projects funded by the WIRED initiative have yet to be developed.

In confronting these challenges, the WIRED professional staff and Governing Board are working diligently to adapt their practices to the needs of the entire nine-county region. They have invited private sector and regional representatives to the Steering Committee, revised the budget, and adopted competitive awards for allocating resources, thereby moving toward a more genuinely collaborative process.

Workforce System Involvement

On the surface, the location of WIRED at Rochester Works would suggest that the workforce investment system is centrally involved in the Finger Lakes WIRED initiative. However, the

three WIBs appear to have continued offering the programs they have always delivered, while WIRED represents a parallel but distinctive set of activities. Over the last year, deliberate efforts to engage both employers and local WIBs in WIRED conversations, priorities, and funded projects suggest that involvement may increase over time.

Private Sector Involvement

The private sector was minimally involved in the WIRED initiative in its first year. More recently, the Governing Board has invited CEOs of private companies to join the Board. Trade associations and workforce investment programs that connect directly with employers are becoming increasingly involved, and Finger Lakes WIRED has awarded businesses Scholarship Grants for employee training. Still, the WIRED team continues to search for effective ways to involve the private sector more widely in the initiative.

Successes

Regional Collaboration

All interviewees agreed about the importance to the region of increasing the involvement of representatives of all nine counties in setting WIRED priorities. An additional success is the willingness of the WIRED leadership team and Governing Board to adapt and learn from their own experience and to seek input from a growing group of stakeholders.

Entrepreneur Support

The Monroe County Industrial Development Agency launched a nonprofit known as The Entrepreneurship Network (TEN) independent of the WIRED initiative. Led by an energetic former management consultant and venture capitalist, TEN operates a six-month workshop and “boot camp” for promising entrepreneurs. Participants are meaningfully linked with experts and potential investors from outside the region, and show promise of staying and growing in the region, thus creating jobs and new wealth. With the addition of WIRED funds, this highly-acclaimed program now extends its reach beyond Rochester to the full nine-county region.

Workforce Training

Finger Lakes WIRED’s program of Scholarship Grants has also drawn praise for funding technical assistance and training for small companies in the region. With a maximum award of \$50,000, to date WIRED has awarded \$1.7 million to 107 companies for employee training, which was matched by over \$3 million from participating employers. The training is reported to have made a critical difference in the sustainability and future of the grant recipient companies.

Regional Facts

List of Counties:

Orleans, Genesee, Monroe, Wayne, Wyoming, Livingston, Ontario, Yates, Seneca

Boundaries of Region:

The Finger Lakes region is a nine-county area that with a correspondent population of 1,203,918 residents, according to 2004 US Census Bureau estimates.

Urban vs. Rural:

The region is centered on the City of Rochester, its suburbs, and outlying rural areas.

**Figure A 32
Regional Map**



Demographics:

Only 6% of New York’s population resides in the WIRED region. Monroe County is by far has the largest population in the WIRED region (735,343) and a density of 1,103.8 pop/sq mile. Yates County has the smallest populations (24,621).

**Figure A 33
Demographic Details**

| Measure | Regional Average | County Range | |
|-------------------------------|------------------|--------------|----------|
| | | High | Low |
| Educational Attainment | | | |
| High School Diploma | 29.9% | 39.7% | 26.1% |
| Post Secondary Degree | 36.1% | 40.9% | 20.7% |
| Per Capita Income | \$20,839 | \$22,481 | \$15,752 |
| Median Age | 36.4 | 38.2 | 35.3 |
| Unemployment Rate | 5.8% | 6.9% | 4.3% |

Site Visit Details

Date of visit: July 23-26, 2007

Site Visitors: Mary Walshok, UCSD; Mary Vencill, BPA

Site Visit Respondents:

- Matt Hurlbutt, Executive Director, RochesterWorks, Finger Lakes WIRED
- Pat Piles, Project Manager, RochesterWorks, Finger Lakes WIRED
- Claudia Gately, Business Services Manager, RochesterWorks, Finger Lakes WIRED
- Peter Robinson, Chief Operating Officer, University of Rochester Medical Center
- Jose Coronas, Principal, Trillium Group, LLC

- David Zorn, Executive Director, Genesee/Finger Lakes Regional Planning Council
- Esther Leadley, County Legislator, Genesee County
- Bill Maddison, Executive Director, Cornell Cooperative Extension, Wyoming County
- Debbie Culeton, Director of Human Resources, Info Directions, Inc.
- James Hoffman, Chair, Wayne County Board of Supervisors
- Sandy Parker, President and Chief Executive Officer, Rochester Business Alliance, Inc.
- David R. Smith, President and Chief Executive Officer, Infotonics Technology Center
- Gary Kone, President, FTT Manufacturing
- Tom Battley, Executive Director, Rochester Regional Photonics Cluster
- Jim Senall, Managing Director, Business Development, Greater Rochester Enterprise (GRE)
- Duncan Moore, Vice Provost, Center for Entrepreneurship, University of Rochester
- Mary Pat Hancock, Chair, Genesee County Legislature
- John Gagnon, Vice President of Services, Friendly Home
- Kevin Kelly, Executive Director, Rochester Tooling & Machine Association
- Peter Collins, Operations Manager, Trident Precision Manufacturing
- Mike Mandina, President and Founder, Optimax
- Cindy Gary, Asst. Director, Ctr. for Manufacturing Studies, Rochester Institute of Technology (RIT)
- Andrij Harlan, Industrial Programs Manager, Rochester Institute of Technology
- Lina LaMattina, Director, The Best Center, Genesee Community College
- Ed Doherty, VP for Community Programs, Rochester Area Community Foundation
- Bob Trouskie, Joint Activities Representative, Workforce Development Institute
- Melissa Geska, Founder and President, The Dream Group
- Ken Rosenfeld, President, eHealth Global
- George Scharr, Chief Financial Officer, Flower City Printing
- Christopher Dahl, President, SUNY Geneseo
- James Winston, Assistant to President for Workforce Development, Monroe Community College
- Paul Wetenhall, President, High Tech Rochester
- Deb LaBudde, Executive Director, The Entrepreneurs Network
- Candace Walters, President, HR Works
- Bill Betteridge, President, Mastro Graphics
- Tim Davis, Extension Issue Leader 4-H Youth Development, Cornell Cooperative Extension
- George Bower, Chair, Orleans County Legislature
- Jim Whipple, Director of Operations, Orleans Economic Development Agency
- Sheila Myers, Education Outreach Coordinator, Hobart William Smith
- Judy Seil, Acting Director, Monroe County Department of Planning and Economic Development
- Dr. Michael Glover, District Superintendent, Genesee Valley BOCES
- Fred Curran, Manager, SenDec Corporation
- Thad Schofield, Manager, City of Rochester Economic Development
- Mark Redding, President, Impact Technologies
- Kelly Mullaney, President and Founder, Working Art Media
- Mary Lou Hamm, Area Manager, GLOW Workforce Investment Board

Early Implementation of Generation I WIRED Initiative 2007 Site Visit Highlights Piedmont Triad WIRED

Introduction

The goal of Piedmont Triad WIRED is to implement an integrated plan for workforce, education, economic development, innovation, and entrepreneurship that will result in the creation of high-skill, high-wage jobs across the 12-county Piedmont Triad Region, and significantly strengthen the region's global competitiveness. Piedmont Triad WIRED has a strong emphasis on business involvement and focuses its efforts on four industry clusters: advanced manufacturing, logistics/distribution, creative enterprises/arts, and health care.

Piedmont Triad Partnership, the nonprofit regional economic development organization, is the fiscal agent and organizational home of WIRED. The WIRED Action Committee oversees and guides the WIRED initiative (see Figure A 34). The bylaws of the Action Committee require that its Chair be a member of the PTP Board of Directors. Other members represent a cross-section of leaders from stakeholders representing the regional and state workforce and education systems, economic development organizations, and businesses.

Four Cluster Roundtables consist of representatives from each of the targeted industries. These groups are charged with identifying demand-driven needs for the industry, establishing desired outcomes, and determining WIRED training program priorities. Each Roundtable Director researched his or her targeted industry with care, selected executives who are respected in the community, and invited them to participate. A total of 114 members committed to participate when the roundtables were initially convened in the summer of 2007, ranging from nine in Advanced Manufacturing to 44 in Creative Enterprises/Arts.

PTP WIRED contracts with the Piedmont Triad Entrepreneurial Network (PTEN) and with local workforce boards to review grant applications, oversee, and manage a series of Focus Grants that serve as an initial impetus to deliver innovative, collaborative training demonstration projects in the region that relate to the Industry Clusters. While none have been awarded to date, PTEN will also be responsible for Focus Grants in the area of Entrepreneurial Job Creation. Local WIBs administer Workforce Training Focus Grants; two of the three such grants awarded through July 2007 target incumbent workers. A WIRED stakeholder review team oversees the Talent Development Focus Grants, which focus on curriculum development, identification and dissemination of career information, and supply chain education. Five of the 10 Talent Development grants train students in the K-12 system, three serve community college students, and the other two serve college students at all levels.

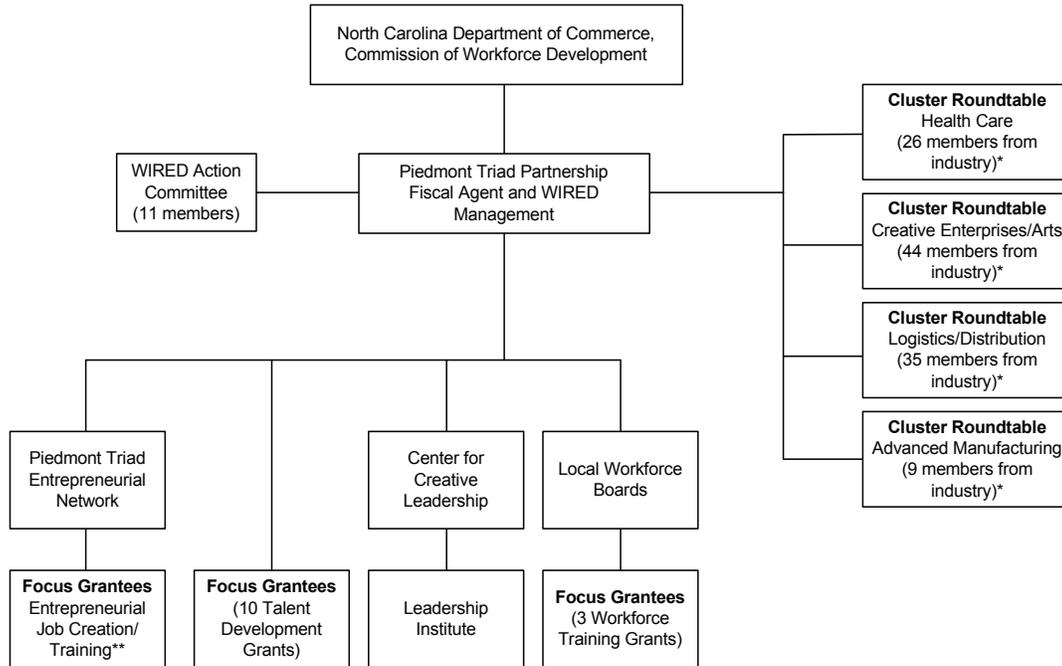
Key Issues

Regional Identity

The 12-county Piedmont Triad Region is well-established: it was designated many years ago by the North Carolina General Assembly as one of seven economic development regions in the state. The Piedmont Triad "brand" is widely recognized; hundreds of companies in the region use the words "Piedmont" or "Triad" in their names, though those words are also used to designate areas smaller than the 12-county region. On the other hand, the fact that the region has an established name does not mean that economic development organizations or units of local

Figure A 34

Piedmont Triad Partnership WIRED Partner Map



*Cluster Roundtable membership of their first meeting.

**Grants had not been awarded as of the date of the evaluation visit.

government appreciate the value of thinking regionally. Inter-jurisdictional competition remains the norm. The tendency for rural counties (counties other than Forsyth and Guilford, where Greensboro, High Point, and Winston-Salem are located) to feel left out also remains. WIRED leaders and staff have made substantial efforts to include all 12 counties, and most respondents believe that WIRED is making progress toward the goal of fostering a genuine regional identity.

Readiness for Collaboration

A region-wide study by an outside consulting firm preceded the WIRED grant, culminating in the publication in 2005 of the *Regional Vision Plan for the Piedmont Triad Region*. Many of the goals and strategies adopted by PTP WIRED grew out of this Vision Plan, and this planning process has given legitimacy to the WIRED initiative’s goals and activities. Similarly, because the Piedmont Triad Partnership is an established and recognized region-wide economic development organization, the region has a sound framework for discussing and resolving barriers to collaboration that may exist.

Organization and Administration

PTP WIRED has a centralized governance structure, with ten dedicated staff positions within the Piedmont Triad Partnership organization, as well as ongoing involvement by PTP’s CEO. The

initiative has, in many ways, redefined PTP as an organization. While the organization's pre-WIRED marketing and economic development activities were consistent with the goals of WIRED, the initiative has sharpened the focus on industry's workforce- and education-related needs. Two of the three members of the WIRED leadership team had spent many years in the workforce investment system. Their experience helps PTP work within the grant's accountability structure, and their networks will prove helpful in generating increased support from the local WIBs within the region. Each of the individuals staffing the Cluster Roundtables has expertise in the relevant industry.

Partnerships

Partnerships with educators have developed easily and continue to grow, especially among the operators of the 10 Talent Development Focus Grants. Individuals within the community college system in particular report having benefited from their new partnerships, which often extend across county lines.

Sustainability

PTP WIRED's most tangible plan for sustainability is embodied in its contract with the Center for Creative Leadership to operate the Leadership Development Institute (LDI), with the goal of changing "the behavior, relationships, activities, and actions of the people, groups, and organizations that comprise key components of the regional economic development system." The Institute will use innovative "action learning" methods with senior leaders from throughout the region to both enhance leadership capacity and build skills in "whole system collaboration." Still in the planning stages, LDI is expected to support and sustain the work of the Cluster Roundtables after the WIRED grant is complete.

Challenges

Involvement of the Workforce Investment System

The WIRED initiative's partnerships with the workforce investment system are complicated by two factors. The first is overlapping boundaries. While the Piedmont Triad region fully encompasses three local workforce areas (covering eight counties), each of the four other counties in the region belongs to one of three workforce areas that include counties beyond the Piedmont Triad region. In these areas, local workforce board directors cannot be expected to view the WIRED initiative as central to their mission. The second complicating factor is fear that at the regional level, WIRED funds are diminishing the funds available for ongoing WIB operations, and fear that the WIRED initiative overall is a harbinger of change that will ultimately prove disruptive. To counteract these concerns, WIRED is seeking to engage leaders in the workforce system in making decisions about WIRED activities, especially Focus Grants, and is contracting with WIBs to manage the workforce development grants.

Getting Started

PTP WIRED was extremely slow to start. Turnover in the Project Manager position was one source of delay. Another factor in the slow start was difficulty developing an implementation plan that was approved by DOL, perhaps exacerbated by the process of seeking a review from stakeholders of each successive draft. Yet another factor in the slow start was the large size of WIRED staff, requiring a lengthy period of interviewing and hiring. By June 2007, the project had spent less than one-third of the budgeted amount. After the changes in staff and systems

were complete, WIRED accelerated the pace of spending. The Focus Grant process is repeated each month, and thus the amount of WIRED funds being spent is increasing each month. Furthermore, the process of utilizing the Cluster Roundtables to develop new ideas for training, while relatively new, is likely to generate increased activity.

Cultural Legacy in the Region

Innovation and entrepreneurship appear to have been “bred out of the culture” in the Piedmont Triad, as it has been in many communities with a manufacturing legacy. Traditionally, large manufacturing companies offered students a monetary incentive to drop out of school and work in their factories. After many generations shaped by this mindset, the majority of the population does not value education and does not believe that risk-taking is reasonable. Soon-to-be-awarded Focus Grants in the area of entrepreneurship will begin to address this challenge.

Transformation

Stakeholders in PTP WIRED appear not to believe that genuine economic transformation is feasible, or even to know what transformation would look like. They see a distinct possibility of marginal improvements in the industries targeted for attention, but they cannot visualize dramatic outcomes. When asked about transformation, site visit respondents most often answered, “We’re working on transition; we’ll have to wait and see about transformation.”

Successes

Industry Involvement

The private sector is strongly represented among PTP WIRED stakeholders. Company representatives serve on WIRED’s Action committee, and they are the sole members of the Cluster Roundtables. While the Roundtables are too new to have developed solid action plans, observers see value in the conversations and relationships that the groups are beginning to generate.

Focus Grants

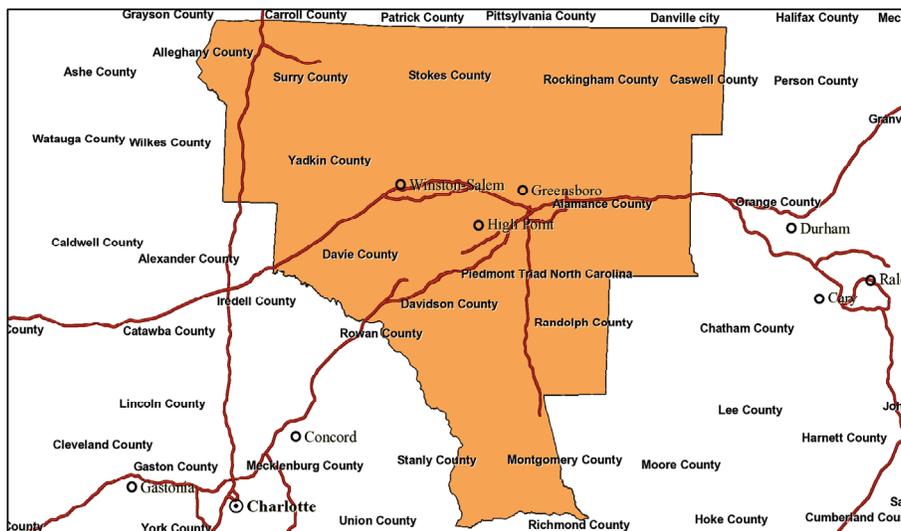
Several aspects of the process for awarding Focus Grants have contributed to the success of the grants and the enthusiasm for the resulting programs. One is the preference given to projects that are operated by new partnerships; another is the instruction to transform existing training delivery; a third is the preference given to applicants who can demonstrate sustainability beyond the WIRED grant period. Once begun, the Focus Grant process has continued, with monthly deadlines for new applications. A total of 13 grants had been awarded as of August 2007, with total funding of slightly over \$800,000. Grantee matches total \$1.44 million. Enthusiasm for the projects that have emerged from the focus grant process is notable; stakeholders point to the grants’ innovative, practical, and industry-responsive features. One example is a K-12 education project that uses well-researched techniques to teach business-relevant problem-solving skills to elementary school students.

Cluster Roundtables

Reports from the Roundtables indicate that unprecedented conversations are taking place. The Logistics/Distribution roundtable has been a source of insight for its members about the extent to which 1) different types of companies confront common challenges, and 2) these challenges can be addressed most effectively at a regional level.

Regional Facts

**Figure A 35
Regional Map**



Counties:

Alamance, Caswell, Davidson, Davie, Forsyth, Guilford, Montgomery, Randolph, Rockingham, Stokes, Surry, Yadkin

Boundaries of Region:

The Piedmont Triad is made up of 12 counties that form a rough triangle just northwest of state's central region.

Urban vs. Rural:

The region includes the cities of Greensboro, High Point, and Winston-Salem and their outlying rural areas.

Demographics:

The Piedmont Triad region represents roughly 18% of North Carolina's population and closely reflects the state's overall population characteristics.

Site Visit Details

Date of visit: August 13-16, 2007

Site Visitors: Mary Vencill, BPA; Josh Shapiro, UCSD

Site Visit Respondents:

- Patricia Adkins, Director, Health Care, Piedmont Triad Partnership (PTP)
- Douglas Atkinson, Vice President Business Development, Wake Forest Healthcare
- Nancy Borrell, Director, Davidson County Workforce Development Board
- Bradley Bower, DCA, Literacy
- Mary Chesson, Vice President of Instruction, Montgomery Community College
- Rebecca Clark, Director, Piedmont Triad Film Commission
- L.B. Clayton, Vice President of MidSouth Region, Old Dominion Freight Lines

**Figure A 36
Demographic Details**

| Measure | Regional Average | County Range | |
|-------------------------------|------------------|--------------|----------|
| | | High | Low |
| Educational Attainment | | | |
| High School Diploma | 29.9% | 40.1% | 25.1% |
| Post Secondary Degree | 27.3% | 36.3% | 15.1% |
| Per Capita Income | \$20,497 | \$23,030 | \$16,348 |
| Median Age | 36.3 | 38.5 | 34.9 |
| Unemployment Rate | 4.8% | 6.5% | 3.1% |

- Paul Clayson, Chairman and CEO, nCoat, Inc.
- Margaret Collins, Director, Creative Enterprises/Arts, Piedmont Triad Partnership
- Scott Daugherty, Assistant Vice Chancellor and Executive Director, Small Business Technology and Development Center
- Jim Donnelly, Vice President, Innovation & Outreach, Piedmont Triad Partnership
- John Drinkard, President, Calloway Johnson Moore West
- Lynn Fick-Cooper, Chief Development Officer, Center for Creative Leadership
- Mary Anne Forehand, Vice President for Workforce Initiatives, Piedmont Triad Partnership
- Nancy Gottove, Executive Director, Central Park NC
- Mark Hagenbuch, Instructor, Entrepreneurship, Guilford County Technical College
- Althea Hairston, Director, Northwest Piedmont Workforce Development Board
- C. David Hauser, Director, Logistics & Distribution, Piedmont Triad Partnership
- Jonnette Hentschell, Center for Creative Leadership
- Annie Tyson Jett, Director, Advanced Manufacturing, Piedmont Triad Partnership
- Shera Johnson-Clark, Manager, Non-Profit Sector, Center for Creative Leadership
- Rick Jones, Director, Career-Technical Education, Thomasville City Schools
- Edward Kelly, Commissioner, North Carolina Employment Security Commission
- Mary Kirk, President, Montgomery Community College
- Don Kirkman, President and CEO, Piedmont Triad Partnership
- Jon Obermeyer, CEO, Piedmont Triad Entrepreneurial Network
- Lillian Plummer, Director, Greensboro/High Point/Guilford Workforce Development Board
- Theresa Reynolds, Senior Vice President/WIRED Project Manager, PTP
- Robin Rhyne, President, Surry County EDP, Inc.
- Mary Rittling, President, Davidson Community College
- Carol Sargent, Dean of Institutional Development, Montgomery Community College
- Bill Shore, Regional Manager, North Carolina Department of Commerce, Business/Industry Development Division
- Laura Spivey, Senior Policy Associate, State Workforce Investment Board
- Michael Staley, Vice President, Finance and Administration, Piedmont Triad Partnership
- Stephen Strawsburg, VP of Public Issues, R.J. Reynolds (Chair, WIRED Action Committee)
- Penny Whiteheart, Executive Vice President, Piedmont Triad Partnership
- Anne Willson, Executive Director, Bricolage Arts Festival

Early Implementation of Generation I WIRED Initiative
2007 Site Visit Highlights
Wall Street West WIRED

Introduction

The goal of Wall Street West (WSW) is to encourage New York City-based financial institutions to establish their backup and back-office operations in the region, and to build the region's infrastructure and labor force assets to support those operations. WSW's five facets of transformation are: 1) connectivity (building the infrastructure); 2) creating the talent pool; 3) an innovation environment; 4) strategic investment; and 5) regional partnerships.

Ben Franklin Technology Partners of Northeast Pennsylvania (BFTP/NEP), part of a state-funded economic development network linking entrepreneurs with funding, talent, technology, and universities, is the fiscal agent and lead agency for the operation of WSW. BFTP/NEP worked closely with the Pennsylvania Departments of Labor and Industry and Community and Economic Development in developing the WIRED proposal, along with many of the individuals who now serve on the Executive Committee. Initially, BFTP/NEP actively led WIRED operations; it has now turned over management of the initiative to WSW staff. The CEO serves on the Executive Committee but no longer chairs it.

The WIRED initiative operates as an independent unit within BFTP/NEP. The initiative is led by a 17-member Executive Committee representing the Commonwealth of Pennsylvania, economic development, the workforce investment system, and universities. The Executive Committee is strong and active, as are most subcommittees, particularly the Human Capital Committee and the Industry and Community Engagement (ICE) Committee (see Figure A 37). The exception is the Leadership Advisory Group, which appears to lack a compelling scope of work and only meets quarterly. The Executive Committee has expressed the need to include more private sector representation in leadership roles, particularly individuals from senior positions in the financial services industry.

Innovation Investment Grants are the mechanism by which WIRED distributes funds to local workforce boards, schools, universities, employers, and nonprofit organizations to implement talent development and workforce training projects. The Executive Committee reviewed the first three applications for funding at its the August meeting.

Key Issues

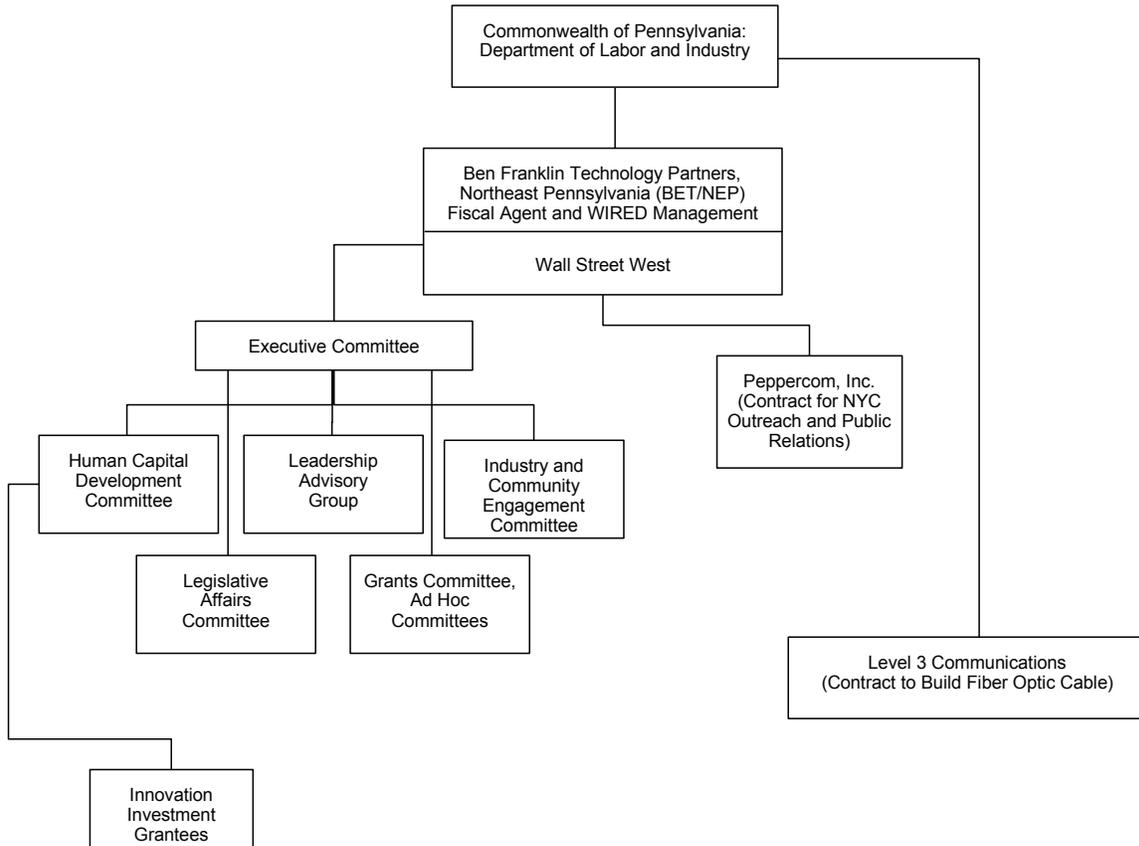
Regional Identity

The WSW region faces several barriers to forming a cohesive regional identity. First, the region as a whole is large, the size of the state of Connecticut. At least 80 miles separate component counties, with a mountain range dividing the north and southern parts and creating psychological as well as physical distance.

Second, the region was created specifically for the WIRED initiative and includes all counties that meet one key criterion: location within a 125-mile radius of Lower Manhattan. This distance is the maximum length of a fiber-optic cable that allows synchronous (instantaneous two-way) data transfer. When the cable is actually built, however, it will follow a winding path across geographical barriers, and only two of the nine counties are likely to meet that key criterion. In

Figure A 37

Northeast Pennsylvania WIRED Partner Map



the “non-synchronous” counties, people feel somewhat “left out” of the WIRED initiative, and this factor remains a potential source of tension.

Third, the region was overlaid on nine counties, four labor markets, five local workforce areas, and three regional economic development councils; it is a “patchwork” of two previously-defined economic development sub-regions and two outlying counties. The sub-regions have very different economic histories and a tradition of competing with each other.

Fourth, residents in the eastern parts of the region commute to New York, while the southernmost communities are more oriented to Philadelphia as a hub. Despite the pre-existing differences within the region, the WSW leadership has worked hard and successfully to create the beginnings of a regional identity. Perceptions are gradually changing within the region, which is beginning to envision itself as a high technology economy and beginning to understand the benefits of regional thinking. The growing sense of shared purpose is closely tied to the promise of realizing WSW’s goals.

Readiness for Collaboration

The partners in the Wall Street West WIRED initiative were unready for collaboration at the time the initiative began. The five component WIBs had little history of working together. Two of the Economic Development Associations in the area were multi-county entities, but were in direct competition with each other and with economic development organizations in surrounding counties. The divide between the workforce investment world and the economic development world was a major barrier to collaboration. A few associations of educational institutions existed, but were geographically limited. Several educational institutions had developed collaborative relationships with the WIBs or CareerLinks (One-Stop Career Centers) in their local areas. Given the history of geographic isolation and competition, the progress toward collaboration and regional identity has been remarkable and relatively rapid.

Partnerships

WSW is credited with creating unprecedented cooperation among organizations within the region. The five local WIBs have come together on a proposal for \$500,000 and a match for \$1 million to create a regional workforce training program. The WIBs have further agreed to jointly investigate other industries beyond financial services for the possibility of collaborative efforts. Economic development agencies overcame their traditional rivalries and partnered to create and promote a daylong “golf event” highlighting WSW. Educators have, for the first time, formed concrete partnerships to develop joint proposals for Innovation Investment Grants.

Sustainability

Leaders within the region express cautious optimism about sustainability. If WSW is successful in attracting New York firms to the region, local workforce and education systems will respond by creating ongoing programs to develop the needed talent. Educated and trained workers will stay in the region and not move away as they do now. The key to sustainability is attracting the initial companies—a strong possibility, but by no means a certainty. An additional uncertainty is whether the region will continue to see the advantage of thinking regionally in the absence of a WIRED-funded effort and region-wide leadership structure.

Challenges

Getting Connected

The single greatest challenge is making sure that the fiber optic cable is actually built. The agreement with Level 3 communications, and the funding from the Commonwealth, is contingent on attracting at least one major customer. The “chicken and egg” dilemma is that a major New York firm may find it difficult to make the decision to invest a large sum of money unless the cable is already in place and synchronous data transfer is a demonstrated reality. A related challenge is the likelihood that, contrary to the expectation at the time WSW was initially envisioned, only two of the nine counties will be able to offer synchronous data transfer. While not all companies’ backup and back-office operations require synchronous data transfer, representatives of the seven “left out” counties may be undertaking an effort that largely benefits localities other than their own.

A similar “chicken and egg” situation exists for those whose task is to build the talent pool for the anticipated growth in the financial services and technology sectors. Currently, recruiting large numbers of students to major in courses related to financial services is not easy, since

students need evidence that the jobs will be there when they graduate. WSW needs a trained workforce to attract New York companies, but it also needs a commitment from the companies before students will begin to prepare for financial services careers.

Communications

Communications have also been challenging. Although key leaders—members of the Executive Committee—communicate effectively, communications with larger audiences are more difficult. Opinions differ about the extent to which the general population is aware of WSW and its goals. In particular, communications with existing financial services companies in the region have not been strong, and this group is not engaged in the initiative.

Allowable Costs

WSW has also faced the challenge of determining how to raise funds for marketing, since WIRED funds may not be used for this purpose. Given the “make-or-break” nature of the initiative, marketing is crucial, but must rely largely on unrestricted funds and volunteer efforts.

Slow Start-Up

In August 2007, 18 months after the WIRED grant was awarded, the Executive Committee reviewed the first Innovation Investment grant applications. In part because of its emphasis on finding New York business partners, building WSW staff and selecting the outreach and infrastructure contractors took a great deal of time.

Successes

Creating a Vision of a Transformed Economy

Wall Street West’s partners are extremely committed to its goals; they can visualize the enormous boost to the region’s economy that will accompany success. The goal of not only transforming the regional economy, but also averting a costly breakdown of the national economic system, is compelling.

Commitment from the First Customer

One New York company, SECCAS, has made the commitment to locate a back-office operation in Scranton. While SECCAS is a small company and will generate only 10 new jobs, its CEO is well-connected in New York’s financial sector and is firmly committed to helping Wall Street West succeed. Additionally, the fact this “first mover” and other early successes have been celebrated across the region is a success, and is unprecedented.

Leveraging Funds

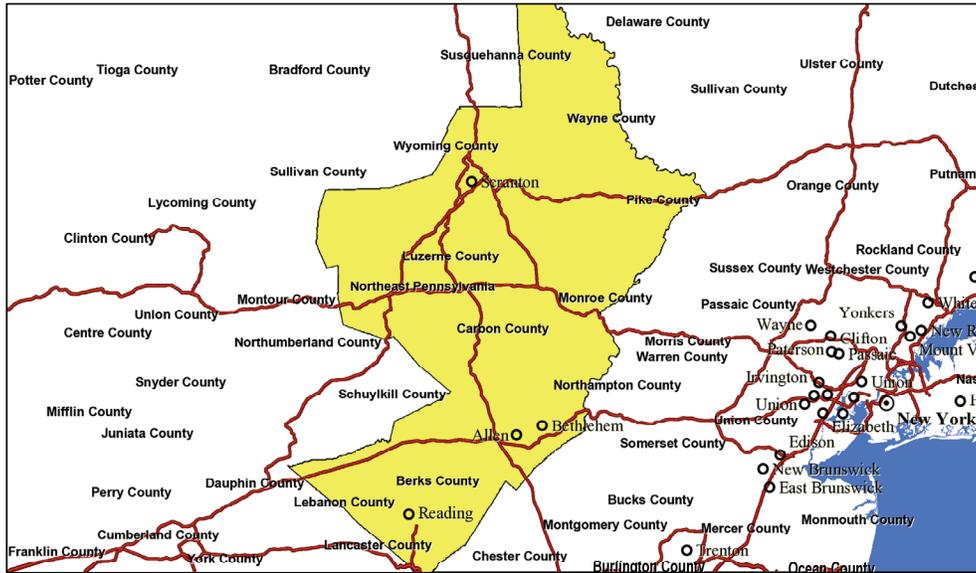
The Commonwealth has committed \$8 million toward the cost of the fiber optic cable. Level 3 communications will also invest millions of dollars in building it. Another million dollars has been raised from the federal government. East Stroudsburg University is making investments in support of the goals of WSW, building a co-location/data center that will take advantage of the high-speed synchronous fiber connection. BFTP/NEP has contributed \$100,000.

Regional Facts

List of Counties

Berks, Carbon, Lackawanna, Lehigh, Luzerne, Monroe, Northampton, Pike, Wayne

**Figure A 38
Regional Map**



Urban vs. Rural:

The nine county region is largely rural and includes population centers such as Scranton, Reading, Wilkes-Barre, Allentown, and Bethlehem.

Demographics:

The WIRED region’s population (14% of Pennsylvania’s total) is less diverse than the state as a whole. Education attainment is lower than the national average, Berks County has the highest population while Pike County has the lowest. The three northern counties have the highest poverty rates, while the two counties closest to New York City have the highest income levels.

**Figure A 39
Demographic Details**

| Measure | Regional Average | County Range | |
|-------------------------------|------------------|--------------|----------|
| | | High | Low |
| Educational Attainment | | | |
| High School Diploma | 39.1% | 47.9% | 35.0% |
| Post Secondary Degree | 25.7% | 30.4% | 17.2% |
| Per Capita Income | \$19,801 | \$21,597 | \$16,520 |
| Median Age | 38.9 | 40.8 | 37.2 |
| Unemployment Rate | 5.1% | 6.6% | 4.4% |

Site Visit Details

Date of visit: August 27 – 31, 2007

Site Visitors: Mary Vencill, BPA; Nathan Owens, UCSD

Site Visit Respondents:

- Jane Ashton, Director of Workforce Development, Greater Wilkes-Barre Chamber of Business & Industry (GWBCBI)
- Michelle Bisbing, Director of Marketing, Pocono Mountains Economic Development Corporation (PMEDC)
- Catherine Bolton, Project Director, Wall Street West
- Austin Burke, President, Great Scranton Chamber of Commerce
- John Casella, Administrator, Monroe County CareerLink
- Matthew Connell, Dean, Northampton Community College
- Jim Cummings, Vice President of Marketing, Mericle Development Corporation
- Erin Drew, Director, Sovereign Center for Leadership & Management Development, Wilkes University
- Christine Donnolo, Associate Dean, Luzerne County Community College
- Gerald Ephault, Regional Manager, Pocono Northeast Ben Franklin Technology Partners of Northeast Pennsylvania (BFT/NEP)
- Laura Eppler, Director of Marketing, BFT/NEP
- Christopher Haran, President/CEO, the Northeastern Pennsylvania Technology Institute
- Joann Hudak, Director, Secondary Education, Wallenpaupack Area School District
- Patricia Last, Director, Corporate and Foundation Relations, King's College
- Charles Leonard, Executive Director, PMEDC
- Dennis Noonan, Economic Development Specialist, PMEDC
- Edward McCann, Chief Operating Officer, Berks County Workforce Investment Board
- Marie McDonnell, Director, Wayne County Job Training
- Margaret McNulty, Director of Corporate and Foundation Relations, The University of Scranton
- Steve Melnik, Director, Project Development, Lehigh Valley Economic Development Corporation
- Patricia Moyer, Director, Monroe Career and Technical Institute
- Lawrence Newman, Vice President, Economic and Community Development, GWBCBI
- Chad Paul, CEO, BFT/NEP
- Mary Frances Postupack, Chief Operating Officer, Center for Research and Economic Development, East Stroudsburg University (ESU)
- Kevin Rogers, VP Community Development Banking, PNC Bank
- Jim Ryan, Director, Outreach and Network Development, Wall Street West
- Susan Sheaffer, Director, Workforce Initiatives, Wall Street West
- Mathilda Sheptak, Deputy Executive Director, Pocono Mountains Convention & Visitors Bureau
- Daniel Summa, President, SECCAS
- Sharon Ward, Director, Economic Development, Pennsylvania Power and Light
- Mary Beth Wood, Executive Director, Wayne Economic Development Corporation
- Stephen Zaricki, Research and Information Manager, Northeastern Pennsylvania Alliance