



Southwest Alabama Workforce Development Council
Sustainability Plan

2017-2019

Southwest Alabama Workforce Development Council Sustainability and Board Development Plan 2017 – 2019

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Background and Context

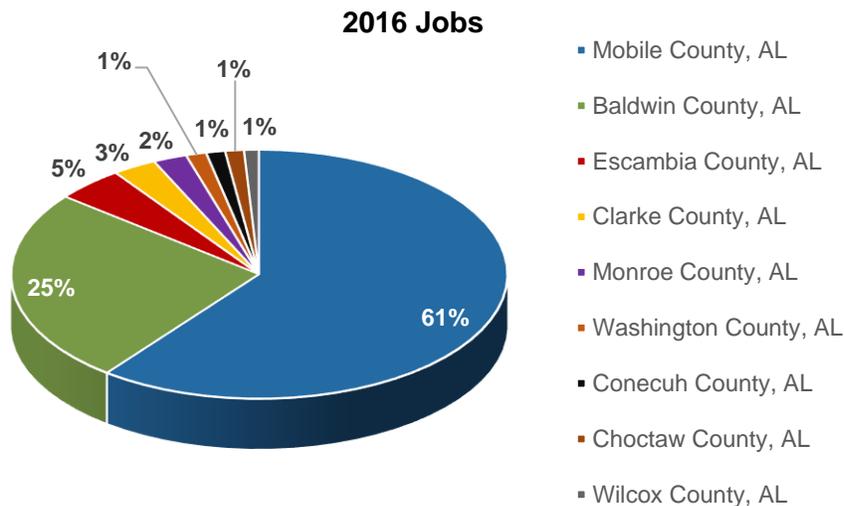
SAWDC’s Region: Key Economic and Labor-Market Trends

Southwest Alabama Workforce Development Council (SAWDC), established in 2008, is an employer-led nonprofit organization whose mission is to develop strategic partnerships which attract, educate and train students and workers to better meet employer needs and foster economic growth in a global marketplace. In 2015, the State’s workforce development functions were streamlined and centralized to provide an accountable organizational structure. This re-organization led to the codification of the Regional Workforce Council substructure as part of the newly created Workforce Development Division within the Department of Commerce. Effective October 1, 2016, the Regional Workforce Council areas were reduced from ten regions to seven regions with SAWDC representing Region 7. It is expected that the new framework will allow all workforce/education resources to align and deliver the required programs that meet the needs identified by business and industry and further enhance the State’s effort to close the skills gap.



SAWDC’s region includes nine counties around in Southwest Alabama including two urban counties, Mobile and Baldwin (representing 86% of private sector jobs), and seven rural counties, Choctaw, Clarke, Conecuh, Escambia, Monroe, Washington, and Wilcox.

Percentage of Private Sector Jobs by County



Source: EMSI

The key economic and labor-market trends in the region include:

- The top five targeted industries are aviation, Advanced Manufacturing, Construction, Healthcare, and Maritime.
- The top highest demand occupations are as follows: Pipe Fitter / Pipe Welder / Combo Welder; Electrician / I&C technician; Ship Fitter; Millwright / Mechanics / Machinists; Mechanical maintenance / Mechanical Engineer; Electrical Maintenance / Electrical Engineer; Airframe and Power Plant Mechanic / Assembler / Avionics; Process Technician / Operator; Registered Nurse; Lab / Med / Biomedical Technician.
- Skill and educational requirements for jobs keep rising. Educational and training requirements of high-demand, fast-growing, and high-earning occupations demonstrate the importance of education in developing the future workforce.
- According to the State of the Workforce report from March 2016, when extrapolated from a 2012 base, worker shortfalls of about 29,800 for 2022 and 54,400 for 2030 are expected. This will demand a focus on worker skills and shortfalls through 2030.

Throughout Alabama, and in SAWDC's region as well, there is a multi-faceted infrastructure of organizations, institutions, partnerships, and associations that comprise the workforce development system. Included in the system are the regional workforce councils such as SAWDC; Workforce Development Boards, whose regions are being reconfigured to match the RWC footprint, that function as the conduit for federal funds into local programming; Chambers of Commerce as well as both industry-specific and place-based industry associations; and community colleges and other nonprofit and for-profit training providers. Strategic workforce development efforts that generate significant benefits for employers and workers/job seekers must seek to align goals, programs, and investments in order to maximize the impact of the available public and private dollars on economic development and increased prosperity throughout the region.

SAWDC's History and Accomplishments

SAWDC was created to drive the development of a comprehensive, integrated workforce development system. In 2010, SAWDC applied for and was awarded Social Innovation Fund funding through the National Fund for Workforce Solutions (the National Fund) to implement industry partnerships, systems change and capacity building efforts, and to support training efforts leading to job placements and career advancement that met industry demand.

The National Fund for Workforce Solutions is an initiative of national and local funders whose goal is to advance the careers of low-wage workers using a model of substantial employer engagement to increase the potential for successful outcomes. The National Fund was established in 2007 as a funding intermediary by the Casey, Ford, Hitachi and Weinberg Foundations, with support from the U.S. Department of Labor, to strengthen and expand high-impact workforce partnership initiatives across the country. The critical element of the National Fund model for SAWDC's work has been supporting and developing sectoral, i.e., industry-specific, workforce partnerships that result in significantly improved outcomes for these workers and more productive human capital for industry. In 2010, the National Fund received funding from the Social Innovation Fund (SIF) to expand upon its model, and using SIF dollars, has supported SAWDC with a total of \$780,000 over five years. SAWDC has matched this with \$780,000 in cash contributions and \$6.3 million in aligned funding.

SAWDC’s work is delivered through workforce partnerships or clusters. These groups are industry-led and are designed to drive training programs and workforce development systems to better meet industry needs. They meet regularly, set and measure objectives, and work to obtain better alignment of the regional workforce development system with their needs. SAWDC has worked through four workforce partnerships: Maritime, Health Care, Industrial Construction and Manufacturing, and Aviation.

SAWDC has created strong positive results across many domains through its National Fund work and the numerous programmatic efforts that have grown out of that work. In less than five years, SAWDC has:

- Developed strong workforce partnerships in four areas in response to industry demand;
- Served 1,590 jobseekers managing 1,045 into jobs - 92% of which were within the targeted industry with six and twelve-month retention rates coming in at 83% and 69%, respectively;
- Trained and supported the career advancement of 208 incumbent workers, who received an average 9.6% wage increase post-training and reported retention rates of 96% and 89% for six and twelve months, respectively;
- Established its SAWDC Worlds of Opportunity (WOO) initiative to create career-related education and awareness for thousands of middle-school students each year;
- Put in place a strong strategic plan that is leading to organizational sustainability;
- Provided support and leadership to regional, statewide, and national workforce development programs.

At the midpoint of FY2017 (i.e., December 31, 2016), SAWDC’s clusters have served and impacted job seekers as shown in the following chart:

Clusters	Served		Enrolled in Training		Completed Training		Job Placement	
	# served	% of total served	# enrolled	% of served by cluster	# completed	% of enrolled by cluster	# placed	% of served
Aviation *	42	2.6%	37	88.1%	5	13.5%	16	38.1%
Healthcare **	118	7.4%	82	69.5%	72	87.8%	69	58.5%
Manufacturing **	121	7.6%	91	75.2%	36	39.6%	33	27.3%
Maritime	1,309	82.3%	908	69.4%	642	70.7%	927	70.8%
TOTAL	1,590	100%	1,118	70.3%	755	67.5%	1,045	65.7%

* The lower “completed training” and “job placement” percentages for the Aviation cluster reflect a more extensive curriculum and a longer training cycle for job seekers in that industry. Many of the enrolled participants are still engaged in the training, and so don’t yet appear in the completion and placement figures.

** The healthcare and manufacturing clusters were both rural county initiatives, and therefore have unique challenges related to retaining and graduating participants. As a result, the completion and placement percentages are lower.

A key learning from the recent experience of the clusters is that to achieve and sustain meaningful impact, the clusters require adequate staffing by individuals with specialized industry-specific knowledge and contacts. The staffing plan described later in this document lays out the timetable for the addition of staff to provide this expertise and leadership for the clusters.

In addition to the direct benefits to the region, SAWDC's cumulative results have positioned the organization for significant future success. SAWDC has been recognized, due to these results, as a national leader in several ways. In 2013, the SAWDC Maritime Workforce Partnership was awarded an Exemplary Workforce Partnership, and in 2014 SAWDC was named one of two outstanding collaboratives in the country. This award recognized the totality of SAWDC's work, particularly in the areas of industry engagement, statewide capacity building, and development of a system to track and collect individualized data on each participant.

Lessons Learned

SAWDC has achieved at a very high level over the past six years. SAWDC has been recognized by the National Fund, by other national funders, and by the state of Alabama as a high performing intermediary organization. From this work, lessons were drawn to inform future workforce development practice. These lessons, as articulated in the "SAWDC: Five Years of Engagement with the National Fund for Workforce Solutions" evaluation report include:

- a) **Industry leadership is the key to SAWDC's success.** SAWDC is an industry-led organization, both at the leadership and cluster levels. Industry leadership ensured that programs supported by the organization were on target to meeting industry needs. SAWDC's strong success in placement of job seekers was directly tied to the close integration of business and industry throughout the development and implementation of these programs.
- b) **Industry-led workforce partnerships are incredibly effective and needed.** The central focus of SAWDC's work has been workforce partnership programming. These partnerships are based on the National Fund model for workforce partnerships, which include two core elements: All training programs are designed in close collaboration with industry and the focus is not just on preparing jobseekers and entry-level employees for work, but for careers. Successful workforce partnerships are results-driven, entrepreneurial, and worthy of trust from industry and workers. SAWDC's workforce partnerships are exemplars of this model.
- c) **The dual customer approach best meets industry and community needs.** A focus of National Fund workforce partnerships is the dual customer approach, meeting the needs of both business and workers. The dual customer approach requires training to focus on the needs of both employers and job seekers. This approach ensures that public, private, and philanthropic investments result in meeting workforce and economic development goals. This is particularly important in an area with low unemployment rates, which is the case in the Southwest Alabama region. SAWDC has been one of the national leaders in this approach.
- d) **Partnerships are key to SAWDC success.** SAWDC has worked through partnerships in two important ways. First, SAWDC has partnered with existing training programs such as the

AIDT Maritime Training Center. Since the direct training provided by the Maritime Training Center was already being supported by the state, SAWDC took on the role of helping connect people who were receiving training to employers. This “coaching people to work” model has been very successful for both industry and workers. Second, SAWDC has utilized existing industry-led organizations rather than developing new partnerships.

- e) **SAWDC uses an effective data-driven decision-making process.** SAWDC developed a data-driven decision-making process that includes the development of appropriate goals and targets, followed by rigorous evaluation and measurement. By being driven by data, SAWDC was able to focus both its own efforts and those of its partners on the correct metrics. SAWDC metrics included job placements, average wages, and retention of participants in training programs. The discipline of the data-driven process provided an objective focus for decision making so that the organization makes decisions with less bias. SAWDC also used its decision-making process to hold itself and its partners accountable for achieving success aligned with industry needs and with original program goals.

These lessons have a number of specific ramifications for the future of SAWDC. The industry clusters are a fundamental component of SAWDC’s strategic approach, and need a level of specialized staffing to be effective and sustainable. The staffing plans presented in this document reflect that need. In addition, the need for partnerships that support the alignment of effort and investment in workforce development will require the SAWDC Board, and in particular the employers on the Board, to take major responsibility for outreach to government officials, employers, and other partners and stakeholders. The updated role and committee structure of the Board described in this document positions the Board to play that role effectively. Finally, SAWDC’s reputation for excellence rests, in part, on its ability to meticulously document its activities and impact, and to plan and implement programs on the basis of real data. The data management function will only get more complex and multi-faceted in the coming years, requiring the addition of staff capacity for that aspect of the work.

SAWDC’s Approach and Priorities

Mission and Vision

The Mission of SAWDC is to develop strategic partnerships which attract, educate, and train students, incumbent workers, and job seekers to better meet employer needs and foster economic growth in a global marketplace.

SAWDC’s vision is of a comprehensive, integrated, collaborative, and highly functioning workforce development system in the region which creates a skilled, diverse, motivated, adaptable workforce that better meets the needs of employers and leads to a better quality of life for our citizens. In this system, employers are engaged and proactive leaders, employees are ready to work in industries with projected job stability and/or growth, all workforce development stakeholders are connected and collaborating, and system-wide programs and investments are aligned and mutually reinforcing.

Overarching Future Directions

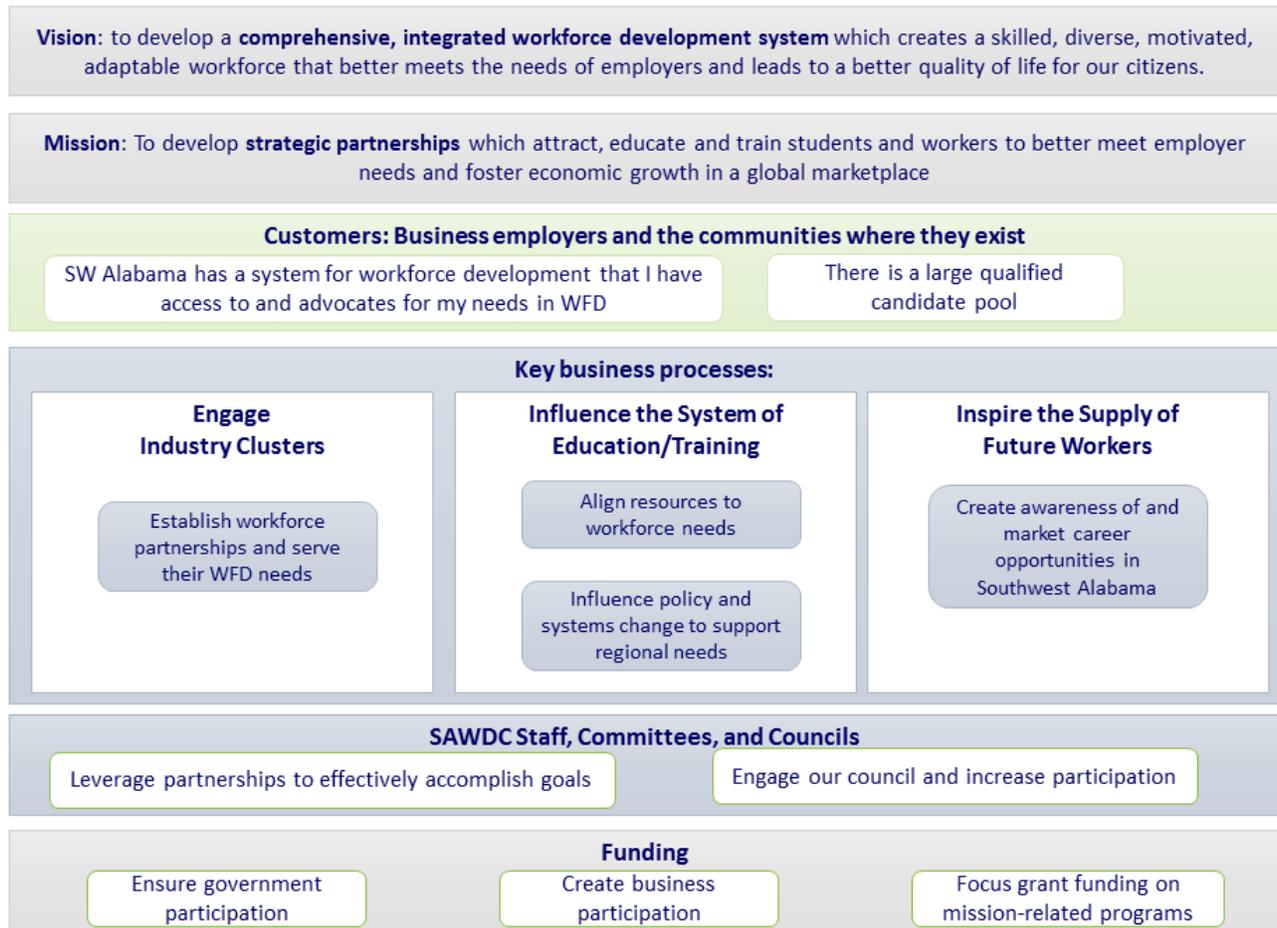
On the basis of a rigorous evaluation of SAWDC's activities during the five-year period of engagement with the National Fund, a number of overarching future directions, adopted by the Board of Directors, emerged. These are:

- 1) **Expand and Enhance Industry Partnership Work**: The list of what is working for SAWDC starts with the industry partnership work. Industry leaders were consistently supportive of SAWDC's work and cited many examples of how this work had supported specific companies and regional growth clusters. That said, there is still more work that could be done, including going deeper with existing industries such as aviation; developing new industry clusters; and merging the systems change and capacity building components of SAWDC's work with the industry partnership work.
- 2) **Reinvigorate the Health Care Workforce Partnership with a Focus on Middle-Skill Jobs**: SAWDC will partner with health care employers, particularly hospitals and other employers that offer strong wages, to develop plans to address the coming middle skills gap for health care. While changes in the economy have made people more likely to stay in the stable employment that health care offers, many of these baby boomers will retire over the next five years, and filling these positions will be a significant regional challenge.
- 3) **Identify Ways to Partner with the Public Workforce Investment System**: SAWDC has many capabilities that match up with the needs of the public workforce investment system, notably in the area of industry engagement. SAWDC will explore options to partner with the public workforce system or provide services on a contractual basis.
- 4) **Enhance Regional Partnerships between Economic and Workforce Development**: The connection between economic development and workforce development is very close in region's that are economically successful over the long run. Areas where economic development and workforce development intersect include recruitment, retention, and innovation.
- 5) **Continue to Provide Statewide Systems Change and Capacity Building Support**: SAWDC has provided critical support to statewide capacity building efforts that are in the process of promoting real change in workforce development in Alabama. These efforts include supporting the development of other regional councils and their alignment with the National Fund model and providing information and feedback to the statewide process of enhancing the Workforce Development Councils. SAWDC will continue to be an important leader in these efforts to enhance Alabama's efforts to improve the ability of its workforce development system to meet industry needs.

SAWDC Strategy Map: Current and Pending Initiatives

On the following page is SAWDC's strategy map which presents an overview of SAWDC's strategic approach to workforce development in the region.

SAWDC Strategy Map



SAWDC will implement activities and initiatives on three related and integrated tracks, described below. Note: For each of the categories of program activity, there are key metrics provided. SAWDC will collect data on these indicators to support accountability to stakeholders as well as internal planning and continuous improvement and will report the data to appropriate audiences on a regular basis. It is important to note that while we have identified these metrics, substantial additional work and resources will be necessary to define and implement a rigorous evaluation.

Engage Industry Clusters: SAWDC has partnered to develop four industry-specific clusters – healthcare, maritime, aviation, and manufacturing/industrial construction – through which they design, implement, and sustain targeted job readiness and skills training programs that generate pipelines of qualified workers for family sustaining jobs and careers. The key metrics SAWDC uses to assess the effectiveness and impact of the work of the clusters include:

- # of participating employers, both in terms of program participation and investment;
- Penetration of the regional employer base for each of the industries with a formal cluster;
- # of workers/job seekers served;
- # of workers/job seekers enrolled in training;
- # of workers/job seekers completing training and/or earning certificates;
- # of workers/job seekers placed in jobs;
- Wage gains and career advancement for program participants.

Influence the System of Education and Training: SAWDC’s efforts at system building and system change in the workforce development arena involve awareness and advocacy activities targeting all segments of the workforce development system (employers, funders, policy makers, training providers, etc.) that are aimed at achieving changed practice, increased collaboration, embrace of nationally recognized best practices, and increased alignment of effort and investment. (It is important to note that this system change orientation is integrated throughout SAWDC’s programs and initiatives. All SAWDC programs have at their core a strong and unwavering focus on best practices, engagement, collaboration, and alignment.) The key metrics SAWDC uses to assess the effectiveness and impact of its system change work include:

- # of employers and training providers engaged in collaborative activities;
- Amount of aligned funding supporting activities consistent with SAWDC’s core programs;
- # of formal advisory relationships SAWDC develops with colleges, other training providers, and policy making bodies;
- # of partners newly embracing best practices;
- # of employers changing their HR practices to support effective workforce development;
- # of changed public policies related to workforce development;
- Amount of public funding newly appropriated for workforce development.

Inspire the Supply of Future Workers: The recruitment of adult workers and job seekers into job training and placement programs is conducted through SAWDC’s industry-specific clusters. However, SAWDC also seeks to inspire and engage the supply of future workers through its SAWDC Worlds of Opportunity (WOO), a major job and career fair, with related awareness activities, targeting middle school students from throughout the region. The key metrics SAWDC uses to assess the effectiveness and impact of its K-12 programming include:

- # of employers, training providers, and public sector partners participating in WOO;
- # of participating employers representing high demand industries and jobs;
- # of students engaged in WOO-related programs, activities, and events;
- # of participating students indicating and/or demonstrating learning gains regarding careers.

Regional Collaboration and Alignment

In August 2016, SAWDC conducted a workshop with the following organizations, informally designated as the Partners Council, to develop a regional prosperity strategy map:

Funders

United Way of Southwest Alabama
Community Foundation of South Alabama
City of Mobile
Mobile County
Baldwin County

Economic Development

Mobile Area Chamber of Commerce (manages both the Bay Area Healthcare Coalition and Advancing Southwest Alabama)
Baldwin County Economic Development Alliance
Coastal Gateway Economic Development Alliance (to be included)

Industry Associations

Central Gulf Industrial Alliance
Gulf States Shipbuilding Consortium

Training Providers

AIDT
Alabama Community College System
Alabama Technology Network

Workforce Board

Mobile Works

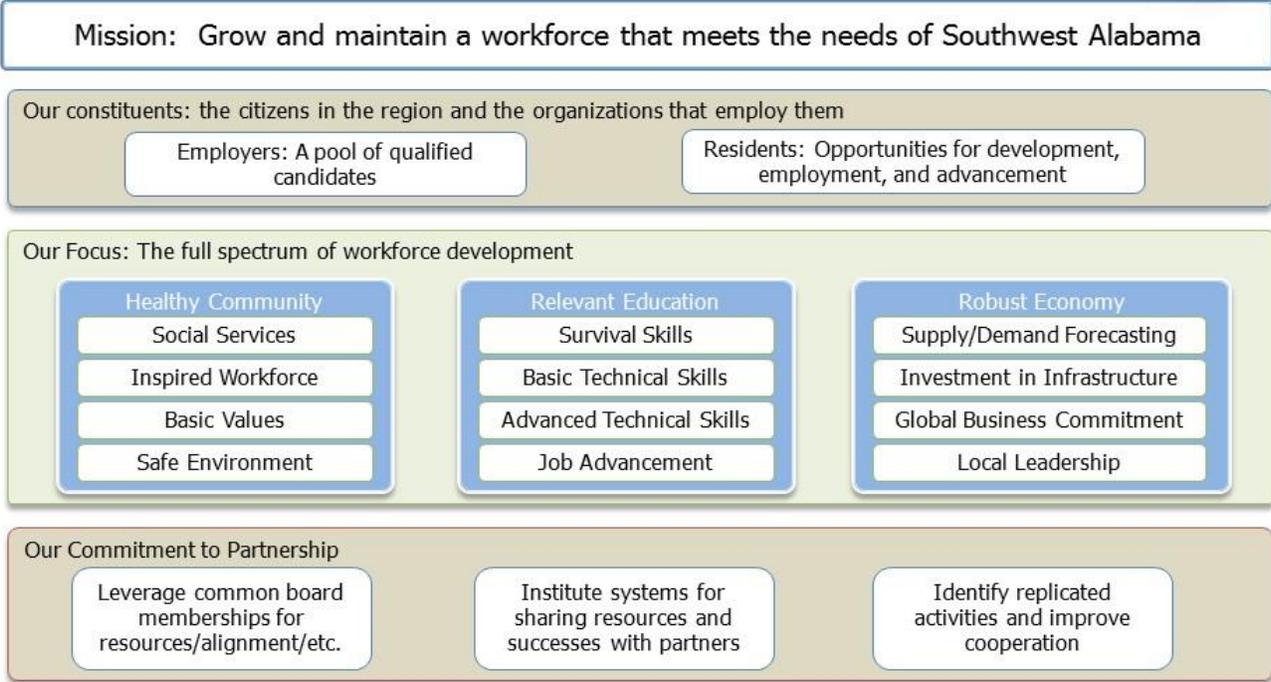
Community Based Organization

Mobile Area Education Foundation

The development of this strategy was motivated by two fundamental ideas. First, that regional prosperity results from a robust mix of economic and workforce development coupled with other services and resources the define healthy communities; and second, that active collaboration and alignment of effort and investment is essential to maximize the impact of available resources on the quality of life in communities in the region. The resulting regional prosperity strategy map is presented below.



Partners Council Regional Strategy Map



We owe it to our community to create an environment where our residents can find work if they try.

While the Partners Council is still formalizing itself as an ongoing entity, there is an emerging vision of the important role it can play in the region. The categories of partners include funders (public and private) and/or conduits for specific funding streams, state and local government, training providers (including postsecondary institutions), industry associations (both place-based and industry-specific), economic development entities, workforce development intermediaries, and other community-based and/or service providing organizations. Ideally, the Partners Council would be characterized as follows:

- Positive collaborative relationships that reflect enthusiasm for joint action, shared information and shared goals, a focus on results and the greater good of the region, and a strong sense of how the collaboration benefits each of the partners, their missions, and their constituents.
- An in-depth, current, and shared understanding of all the relevant funding streams (especially the new WIOA guidelines), their requirements and restrictions, and the strategic ways in which they can become aligned and mutually reinforcing.
- A strong embrace of and commitment to recognized best practice, and a related commitment to data-driven continuous improvement.

In that context, there are a number of specific ways in which the partners can collaborate, including But not limited to):

- a) The preparation and submission of joint funding proposals to public or private sources, with clear and distinct roles specified for the partners;
- b) Strategic alignment of funds, particularly using flexible dollars to fill gaps where prescribed or restricted funding that designates certain expenditures as ineligible.
- c) Sharing data regarding programs, participants, regional demographics, etc. in ways that support program evaluation and continuous improvement, as well as the strategic design and implementation of new programs initiatives;
- d) Collaborative efforts to leverage current funding, including through jointly funding specific projects, then seeking related match dollars;
- e) Sustaining the infrastructure for collaboration that can support each partner's requirements for the specific funding opportunities to which they have unique access.

SAWDC will endeavor to provide leadership in the development of the Partners Council as a robust and active vehicle for regional collaboration and alignment that can further the vision for Southwest Alabama expressed in the regional prosperity strategy map.

Building SAWDC's Organizational Structure and Capacity

SAWDC Board of Directors

The Evolving Role of the SAWDC Board of Directors

The SAWDC Board has played an important tactical or operational role in support of SAWDC's activities, especially the work of the clusters. In the coming phase, the Board will shift that role to one that is more strategic, focused on liaison to key partners and stakeholders, and fundraising and revenue development. The Board will continue to have its governance and oversight roles, and will therefore have two major categories of responsibility: internal (governance and oversight) and external (expanding revenues, partner engagement, and system alignment). Those responsibilities are listed below.

Governance and Oversight

- a) Hiring the **Executive Director**, and overseeing the related performance management systems;
- b) Providing ongoing **supervision, direction, and support for Executive Director**;
- c) Adopting **policies and priorities** for SAWDC in the context of its mission and strategic plans;
- d) Regularly **evaluating progress toward goals**, and providing input and direction with regard to SAWDC's strategic approach and implementation;
- e) Ensuring the **fiscal integrity** of the corporation, and compliance with all relevant statutes, regulations, and professional standards;
- f) Making available, through appropriate and accountable channels, any **contacts or expertise** relevant to the mission of the organization;
- g) Ensuring the effectiveness of the **internal workings of the Board** through the recruitment and orientation of Board members, establishing and monitoring a functional committee structure, establishing and monitoring individual work plans for all Board members, and maintaining and updating the agency's bylaws as necessary.

Expanding Funding, Partner Engagement, and Workforce System Alignment

- a) Engage **state-level policy makers, agency directors, and legislators**, identify and engage allies, developing and implementing, a strategic approach to maintaining and expanding state funding;
- b) Cultivate and engage relevant **city- and county-level administrators** around funding and system alignment;
- c) Engage **larger employers** at the leadership/CEO level;

- d) Expanded **industry outreach**, including to small and mid-size employers, in the context of SAWDC's cluster framework;
- e) Liaison to and engagement with the **Workforce Boards (WIBs)** around funding and alignment;
- f) Liaison to the **state Workforce Council**;
- g) Engagement of **community college system** at the state and campus levels around program and curriculum development and alignment.

In the context of this definition of the role of the Board, each individual Board member will have a specific plan for their involvement and participation, including which specific external liaison and cultivation roles they will be responsible and accountable for.

Proposed Board Committees/Working Groups

The Board will have a streamlined committee structure, developed to best enable the Board to play its new role, described above. These are standing committees, composed exclusively of sitting Board members. There may, from time to time, be the need to convene task forces or ad-hoc committees for specific tasks of fixed duration (e.g., strategic planning, event or campaign committees, etc.) after which such groups would disband until next needed.

- **Executive Committee**: Coordination and facilitation of the Board and its committees. The Executive Committee will also have two additional responsibilities: the statutorily required grant review process; and the nominating process for new Board members and Board officers.
- **Government Relations and Advocacy Committee**: Liaison to and engagement of legislators, policy makers, and state workforce agency representatives; advocacy for SAWDC's government funding.
- **Industry Outreach Committee**: Outreach and recruitment of employers, oversight of industry clusters.
- **Administration and Finance Committee**: oversight of administrative and financial management functions, regular financial reporting, oversight of annual audit process.

Activities and Information that Increase the Board's Effectiveness

There are a number of activities that will be undertaken to maximize the effectiveness of the Board vis-à-vis its new role. These include developing and/or assembling information and data necessary for Board members to provide organizational oversight internally, and representation and partner/funder cultivation externally. These activities are described below.

- a) Develop a detailed **manual for Board members** covering:

- SAWDC’s structure, strategy, and funding;
 - Basics of the federal, state, and local workforce development policies and systems;
 - Elements of the case/value proposition for use with funders and partners;
 - Policies and procedures of the SAWDC Board;
- b) Develop an internal and external **communications strategy** for Board and staff, including;
- Vehicles for regularly updating the Board about program activities, partner recruitment, etc.;
 - Print materials targeting various external audiences;
 - Strategy for developing contacts and coverage in the media (print and electronic);
 - Social media strategy.
- c) Develop a list of **priorities for outreach** and engagement where the Board will take the lead;
- d) Articulate **SAWDC’s business case** /Return on investment (ROI):
- Both short-term and long-term ROI;
 - Translate the clusters’ participant data into dollars;
- e) Develop a **comprehensive package of data, information, and language** to support the Board’s development/fundraising activities, including:
- Menu of **funding and engagement opportunities** for key funding partners;
 - Case-by-case **strategy and appeal for specific funders** and partners;
 - **Testimonials** that can be used in marketing and fundraising;
 - **Analysis of the attrition issues** within the various employee pipelines;
- f) Develop **media strategy** (print, electronic, online), including promotional video;
- g) Provide regular **cluster presentations**, piggybacked on scheduled meetings, in order to increase awareness of both SAWDC and the system as a whole.

Projected Staff Expansion

SAWDC’s current staff includes the following:

- **Executive Director**, responsible for overall organizational management and strategy development, liaison with the SAWDC Board of Directors, external relations and partnership development, and fundraising and proposal development targeting both public and private sources;
- **2 Industry (Cluster) Coordinators**, responsible for staffing and supporting the industry clusters, facilitating collaborative relationships, and managing the caseload of workers and job seekers involved in cluster programs. (Note: The two current Cluster Coordinators oversee the maritime, aviation, and chemical manufacturing clusters.)
- **Executive Assistant**, responsible for office management and administrative duties, and assisting the Executive Director with both programmatic and administrative tasks.

SAWDC plans to add the following new staff positions on the indicated timetable. The development for this staff expansion plan was based on SAWDC's experience and lessons learned over the last several years. Specifically, the rationale for the proposed staffing includes: The need for adequate staff capacity and industry-specific expertise to coordinate and support the industry clusters; SAWDC's increasingly complex data management function and its role in programming, strategy development, and fundraising; and the need for marketing and development staff to support expanded partner recruitment and fundraising.

FY2017 (remainder of the current year):

- **Operations Director** to supervise the Cluster Coordinators, to staff selected cluster meetings and activities, to oversee data collection and reporting related to the work of the clusters, and to oversee all administrative and financial management functions;

FY2018:

- **Development Director** to oversee sponsorship solicitations related to the Worlds of Opportunity event, and to support the Executive Director related to selected aspects of fundraising and revenue development;
- **PR & Marketing Director** to develop and implement strategies for marketing SAWDC to the full range of its prospective partners and constituencies;
- **Health Care Cluster Coordinator.**

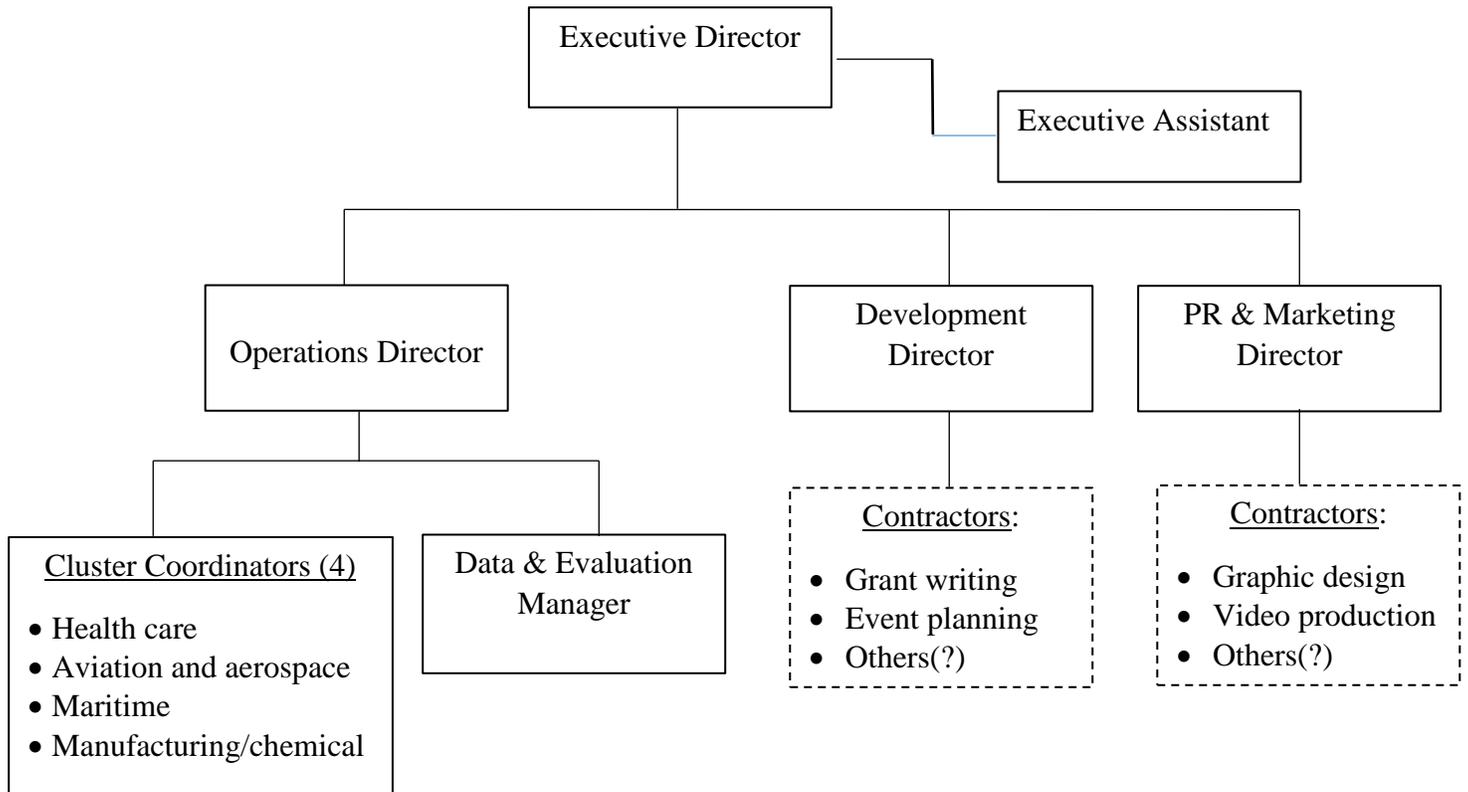
FY2019:

- Additional **Cluster Coordinator** (Note: With the addition of the fourth Cluster Coordinator, responsibilities will be reconfigured so that each Coordinator is responsible for a single industry cluster.)
- **Data & Evaluation Manager** (reporting to the Director of Operations) for developing, implementing, and overseeing systems and processes for data collection and reporting.

In addition, there will be a number of functions that will be assigned to various independent contractors, including: grant writing, event planning, graphic design, financial accounting, etc.

After SAWDC completes the planned staff expansion, the anticipated staff organizational chart is presented on the following page. (Note: Staff positions are in boxes with solid lines, and contracted positions are in boxes with dotted lines.)

SAWDC Staff Organizational Chart: FY2019



Revenue and Financial Sustainability Strategy

Revenue History

SAWDC's revenues for the past 5 years, both in total and broken out into major categories, are presented in the following chart:

Revenue Categories	FY2012	FY2013	FY2014	FY2015	FY2016	5-Year Totals	% of Cumulative Total
State and local government	185,063	192,603	184,703	179,753	290,317	1,032,439	34.5%
Business/Employers	99,500	110,000	116,250	127,500	118,250	571,500	19.1%
Assns./Chambers	69,500	92,062	59,600	54,000	63,500	338,662	11.3%
Federal and Private Grants	307,699	196,385	230,533	187,369	125,716	1,047,702	35.0%
TOTAL	661,762	591,050	591,086	548,622	597,783	2,990,303	100.0%

Projected, Multi-Year Operating Budget

On the following page is a multi-year operating budget for SAWDC that shows projected expenses reflecting the staff expansion, as well as the program and organizational development, described in this plan covering the period from the current fiscal year, i.e., FY2017, through FY2020.

In addition, using the core 2017 revenues that are anticipated to be ongoing as a baseline, we have shown the projected shortfall for each year, which represents the new dollars the Board and staff will have to secure from the four major categories of revenue (i.e., federal funding, state and local government funding, private philanthropic support, and employer contributions) in order to successfully implement the growth and development described in the plan.

EXPENSES	FY2016 (actual)	FY2017 (projected)	FY2018 (projected)	FY2019 (projected)
General Operations				
Accounting Expense	19,035	20,000	20,000	20,000
Depreciation Expense	411	540	540	540
Dues & Subscriptions	3,673	5,500	6,500	7,500
Employee Benefits Exp	32,672	59,000	89,945	125,932
Employees Payroll Tax Expense	17,553	23,768	35,604	49,369
Employee Wages Expense	215,335	295,000	449,725	629,658
Insurance Expense	4,215	4,010	4,010	4,010
Marketing	284	3,700	4,500	6,000
Meeting Expense	3,718	4,500	6,000	7,500
Other Expense	7,325	18,000	24,000	30,000
Postage and Shipping Expense	127	240	240	240
Rent Expense	6,000	12,000	18,000	24,000
Supplies Expense	1,656	3,600	3,600	6,000
Telephone Expense	7,520	10,800	12,000	14,400
Travel Expense	3,835	12,000	15,000	18,000
SAWDC Worlds of Opportunity				
Marketing – WoO	250	1,500	1,500	1,500
Supplies Expense - WoO	35,255	40,500	40,500	40,500
Rent Expense - WoO	33,551	37,000	37,000	37,000
Catering – WoO	10,125	10,000	10,000	10,000
Insurance Expense - WoO	1,492	1,600	1,600	1,600
Other Expense - WoO	27,938	40,000	40,000	40,000
National Fund				
Other Expense - NFWS	11,190			0
Delta Regional Authority				
Other Expense - DRA	105,000	45,000		0
TOTAL EXPENSES	548,159	648,258	820,264	1,073,748
TOTAL REVENUES ** (See note on following page)	597,783	671,489	566,489	566,489
Surplus (Deficit)	49,624	23,232	(253,775)	(507,258)



Projected shortfalls that represent the new dollars the SAWDC Board and staff will need to secure to meet the projected expenses.

**** Revenue Notes**

The total revenue for FY2016 is an actual figure for the completed year.

Detail regarding the total projected revenues for the years FY2017 to FY2019 are presented in the following chart:

Revenue Sources	FY2017 Projected	Recurring FY2017 revenues that will serve as the baseline for FY2018 & FY2019
Department of Commerce	142,857	142,857
Georgia Pacific	25,000	25,000
Mobile County Commission	37,463	37,463
City of Mobile	50,000	50,000
Mobile Area Chamber of Commerce	50,000	50,000
Baldwin County Board of Education	22,500	22,500
Baldwin County Commission	22,500	22,500
Choctaw County	4,000	4,000
Clarke County	7,000	7,000
Washington County	5,000	5,000
Eichold Fund	1,000	1,000
AIDT	59,025	59,025
SAWDC Worlds of Opportunity	140,000	140,000
Delta Regional Authority (Note: One-time grant for rural county study)	105,000	
Interest Income	144	144
TOTAL REVENUES	671,489	566,489

Revenue Sources and Strategies

SAWDC’s financial sustainability strategy focuses on focuses on four major categories of revenue:

- **Federal funding;**
- **State and local government funding;**
- **Private philanthropic support;**
- **Employer contributions.**

For each of these categories, we have described the overall approach to revenue development, in terms of the specific sources and the types of requests. In addition, we have listed SAWDC’s key partners for generating revenue within the categories. The role and value of these partners includes connections and access, individuals who can be vocal and highly visible champions, organizations and/or businesses that are project collaborators thereby increasing SAWDC’s capacity and the attractiveness of the related requests, and providing either match or aligned funding.

Federal Funding

Over the coming 3-year period, SAWDC will seek to secure federal funding on two tracks:

- Workforce Innovation and Opportunity Act (WIOA, the reauthorization of the Workforce Investment Act) funds that will come to SAWDC through both the regional WIB and the state level Workforce Board. These funds will be solicited primarily for activities related to industry cluster management, a central priority of the Act.
- Grants from the U.S. Department of Labor to support industry-specific training and apprenticeships.

In addition, SAWDC will cultivate the relationship with the expanded Workforce Development Board, currently referred to as MobileWorks, as well as state level workforce agency administrators to create collaboration and funding alignment.

The key partners in SAWDC's efforts to secure federal funding include:

- Workforce Board/MobileWorks
- Employers and industry clusters
- Training providers
- County administrators
- Business Council of Alabama (BCA; Note: This group is active following federal legislation and can assist by identifying appropriate and attractive opportunities.)

State and Local Government Funding

Over the coming 3 years, SAWDC will seek to maintain and expand its funding from state and local government sources by:

- Engaging and cultivating state agencies and city/county governments to maintain (or expand if possible) current funding;
- Seeking funding from the counties in the region not currently supporting SAWDC, including: Escambia, Monroe, and Conecuh. Note: While these may ultimately be only modest amounts of funding, even modest funding will catalyze greater engagement and awareness.

Key partners in SAWDC's efforts to maintain and expand state and local government funding include:

- Employers and industry clusters;
- Economic developers;
- Chambers;
- Key elected officials who can serve as allies and champions;
- Community colleges, AIDT, and other sources and funders of training, for aligned funding.

Private Philanthropic Support

SAWDC will identify local, regional, and national philanthropic organizations whose guidelines and giving priorities include workforce development, as well as the various other aspects of community benefit that are driven by workforce development's impact on family income. The specific projects and initiatives that SAWDC will proposal for private philanthropic funding include:

- Closing the skills gap;
- Job readiness and job training activities.
- Systems change initiatives aimed at aligned funding, collaborative implementation, and policy advocacy;
- Training and other direct services to various special populations (e.g., low-income, veterans, ex-offenders, etc.)

The partners and potential funding sources include:

- Ford Foundation;
- Annie E. Casey Foundation;
- Newman Foundation;
- National Fund for Workforce Solutions (for both direct funding and assistance engaging national foundations);
- Community foundations and United Ways in the SAWDC region;
- Industry associations and Chambers of Commerce (Note: Their support is more like foundations and/or other philanthropic organizations, aimed at broader community benefit, rather than employer support which is more rooted in concrete ROI.)

Employer Support

SAWDC's efforts to secure funding from the region's employers will include the following:

- Funding for special initiatives such as: SAWDC Worlds of Opportunity or targeted training programs at the Advanced Manufacturing Center;
- Funding to support the development of new industry-specific certifications. (Note: It will be important for SAWDC to develop prototype budgets for these types of initiatives in order to solicit support, with the understanding that costs will be different for different industries.);
- Employer funds that will serve as the match that is required for selected government funding opportunities;
- Employer cost-sharing of projects being implemented by their respective industry clusters;
- In-kind support (staff time, use of facilities, printing, ...).

The key partners for efforts to secure direct employer support include:

- All SAWDC's industry clusters in the region;
- High school and postsecondary educational institutions (in support of training and/or certification programs);
- Industry associations and Chambers.

SAWDC will conduct a formal feasibility study to inform donor identification and cultivation strategy, and to establish realistic targets for new revenue. Preliminary estimates for the sources of funds that will cover the projected shortfalls are presented in the chart on the following page:

Revenue Sources/Strategies	New Funds (above FY2017 baseline)	
	FY2018	FY2019
State allocation for workforce development councils through Department of Commerce *	100,000	200,000
WIOA dollars that come to SAWDC through the expanded workforce Board for Region 7, applied to the costs of staffing the industry clusters	75,000	150,000
Expanded philanthropic support for collaborative management and special projects targeting specific populations	50,000	100,000
Industry contributions for training and pipeline development activities within the clusters	25,000	50,000
TOTAL (est.)	\$250,000	\$500,000

* Total funding from the Department of Commerce would then be approximately \$250,000 and \$350,000 for FY2018 and FY2019, respectively.

Value Proposition/The Case for Support

This following series of statements is intended as a comprehensive inventory of elements of the case for investment in SAWDC. This case statement, or value proposition, is relevant to the needs and interests of the full range of SAWDC's partners and stakeholders, and can be adapted, expanded, and targeted for specific proposals and/or requests for funding.

Problem statement/defining the need

- 1) Southwest Alabama exists in an extremely competitive environment for business and worker recruitment, making the quality of the local workforce a high priority.
- 2) There is the need to create and sustain reliable industry-specific pipelines of qualified workers.
- 3) There is a need for greater alignment of programs, resources, and funding across the workforce development system in order to maximize the impact of available resources.
- 4) Because workforce development is a critical need for the region, there is an urgency to building these collaborative systems.
- 5) The need for a qualified workforce is a national and international issue, not limited to SAWDC's region (Region 7), or to Alabama.

Workforce development essential to regional prosperity

- 6) Effective workforce development leads to stronger families and stronger communities.
- 7) Effective workforce development increases family incomes and tax revenues.
- 8) Effective workforce development decreases dependency, crime, and other negative dynamics in communities.
- 9) Business recruitment and economic development require high quality workforce development systems in order to meaningfully contribute to regional prosperity.

Employer Return-on-Investment (ROI)

- 10) The industry cluster approach to workforce development is essential for economies of scale and significant regional impact.
- 11) SAWDC has the responsiveness and flexibility to respond to changing employer needs.
- 12) SAWDC brings the employer voice to regional policy and strategy discussions.
- 13) SAWDC is a comprehensive workforce development resource for employers, and an effective platform for collaboration and alignment.
- 14) Collaborative, industry-specific workforce development efforts increase the recruitment and retention of qualified workers, and reduce costs related to hiring, training, and advancing workers. (Note: Additional research and analysis will be required in order to quantify employers' ROI. Ultimately, we want to be able to say, "\$X invested in SAWDC's workforce development programs and systems yields \$Y in cost savings for an employer.")
- 15) SAWDC builds reliable supply chains of workers through collaboration in ways that individuals employers could not do themselves.
- 16) Effective workforce development systems that produce a qualified labor force are necessary to give employers in the region a competitive edge, and the ability to successfully bid and deliver on major contracts.

SAWDC track record, infrastructure, and credibility

- 17) SAWDC's employer-led Board and industry clusters ensures that the needs of employers are front-and-center in workforce development programming and policy.
- 18) SAWDC's has the existing infrastructure and partnerships that enable it to be effective.
- 19) SAWDC's strategic focus on the growth industries in the region ensure that its efforts will generate significant benefits for employer and workers/job seekers in the region.
- 20) SAWDC has a rigorously data-driven and results-oriented approach to program planning and development.

- 21) SAWDC is a proven model that can replicated in other regions around the state.
- 22) SAWDC has an impressive track record of successfully building and sustaining systems that generate significant participant outcomes.

Best practices and proven approaches

- 23) SAWDC operates within a model that is nationally recognized as best practice.
- 24) SAWDC provides links to a national network of workforce development partnerships and intermediaries (such as the National Fund).
- 25) SAWDC's industry cluster model is highly aligned with federal WIOA regulations and guidelines.

Implementation Plan

Programs

	FY2017 (remainder of current FY)	FY2018	FY2019
Industry Clusters	<ul style="list-style-type: none"> • Evaluate and refine cluster model (engagement vehicles, budgets, alignment with industry standards, etc.) • Conduct outreach and recruitment of employer and training partners • Document projected demand for workers in key local industries (both current contracts and pending opportunities) • Engage training providers (CBOs and postsecondary institutions) to revise and/or create training curriculum 	<ul style="list-style-type: none"> • Continue and expand employer and training partner outreach • Recruit participants into training and placement programs • Document and report participant outcomes (completion of training, industry sanctioned certificates earned, wage and career advancement) • Convene all clusters for information sharing and strategy development/refinement 	<ul style="list-style-type: none"> • Continue partner and participant outreach, and programming activities. • Convene all clusters for information sharing and strategy development/refinement • Evaluate sector strategies and impact, and refine as appropriate • Develop and disseminate multi-year cumulative report on cluster activities and outcomes
System Building/System Change	<ul style="list-style-type: none"> • Document all workforce development funding streams and partners in the context of the reconfiguration of the system at the state level • Work with community colleges to align courses and programs with industry standards • Identify partners at state level to facilitate collaboration with K-12 technical education • Develop language to promote system building and best practices 	<ul style="list-style-type: none"> • Continue efforts with community colleges and K-12 systems regarding alignment and best practices • Work with employers to document ROI for their investment in workforce development • Develop and disseminate materials promoting and supporting changed HR practice among employers 	<ul style="list-style-type: none"> • Evaluate and continue, refine, and expand efforts • Develop and disseminate multi-year cumulative report on system change activities and outcomes

	FY2017 (remainder of current FY)	FY2018	FY2019
Inspire the Supply of Future Workers	<ul style="list-style-type: none"> • Develop materials and messaging targeting middle school and high school students about high demand industries and jobs • Work with schools and colleges to develop career awareness and pre-employment programming • Refine, implement, and document Worlds of Opportunity (WoO) at its related activities and events 	<ul style="list-style-type: none"> • Continue work with schools and colleges • Refine, implement, and document Worlds of Opportunity (WoO) at its related activities and events • Explore the development of additional K-12 programming 	<ul style="list-style-type: none"> • Evaluate and continue, refine, and expand K-12 programming • Develop and disseminate multi-year cumulative report on K-12 activities and outcomes

Organizational Development

	FY2017 (remainder of current FY)	FY2018	FY2019
Board Development	<ul style="list-style-type: none"> • Develop orientation and other informational materials for Board members • Develop individualized plans for current Board members • Plan recruitment of additional Board members • Make changes to the by-laws to reflect the directions in the plan 	<ul style="list-style-type: none"> • Implement the Committee structure • Recruit and install new slate of Board members • Elect officers for the Board 	<ul style="list-style-type: none"> • Evaluate Board effectiveness and make any necessary changes in structure and procedures for operations and communication
Staffing	<ul style="list-style-type: none"> • Develop job descriptions for all new staff positions • Update personnel policies as necessary for expanded staff • Post and recruit for Operations Director position • Hire and orient new Operations Director 	<ul style="list-style-type: none"> • Post and recruit for the following positions: <ul style="list-style-type: none"> ○ Development Director ○ PR & Marketing Director ○ Healthcare Cluster Coord. • Hire and orient all new positions 	<ul style="list-style-type: none"> • Post and recruit for the following positions: <ul style="list-style-type: none"> ○ Data & Eval. Manager ○ Additional Cluster Coord. • Hire and orient all new positions • Reconfigure responsibilities for industry clusters • Evaluate staff structure and make changes as appropriate
Regional Collaboration and Alignment	<ul style="list-style-type: none"> • Meet with key partners to present the directions in the sustainability plan • Work with Community Foundation to re-convene Partners Council to share information and updates • Engage state level agency directors to identify opportunities for greater alignment 	<ul style="list-style-type: none"> • Identify high profile industry champions • Plan, recruit, and implement Workforce Development Summit of major partners and funders to address issues of alignment and how to maximize the impact of available resources for both employers and workers/job seekers 	<ul style="list-style-type: none"> • Continue and expand efforts to convene partners and funders, and strategize regional collaboration and alignment

Finances & Revenue Development

	FY2017 (remainder of current FY)	FY2018	FY2019
Budgeting and Financial Management	<ul style="list-style-type: none"> • Identify requirements for all current and potential funding streams, and align internal systems • Conduct feasibility study regarding fundraising and revenue targets to inform budget development • Board approves refined annual budget reflecting directions in plan • Board receives monthly financial and fundraising reports 	<ul style="list-style-type: none"> • Review and update financial management systems and procedures as necessary • Board approves refined annual budget reflecting directions in the plan • Board receives monthly financial and fundraising reports 	<ul style="list-style-type: none"> • Review and update financial management systems and procedures as necessary • Board approves refined annual budget reflecting directions in the plan • Board receives monthly financial and fundraising reports
Government Funding: Federal	<ul style="list-style-type: none"> • Research potential opportunities for support from federal agencies • Work with Mobile Works and state-level WIB to identify opportunities for WIOA funding • Identify potential partners with which to collaborate on federal funding proposals • Begin to cultivate federal agency representatives in the region 	<ul style="list-style-type: none"> • Continue cultivation of federal agency representatives • Submit proposals as appropriate • Continue collaboration with Mobile Works and state-level WIB regarding WIOA funding 	<ul style="list-style-type: none"> • Continue and expand
Government Funding: State and Local	<ul style="list-style-type: none"> • Participate in advocacy regarding state funding for RWD Councils • Identify additional state agencies that are potential funding opportunities • Report to county governments currently funding SAWDC to secure their continued support • Reach out to county governments not currently funding SAWDC to explore opportunities for new funding 	<ul style="list-style-type: none"> • Continue advocacy regarding Department of Commerce funding • Submit additional proposals to state agencies as appropriate • Maintain existing support from counties in the region • Secure new funds from counties not currently supporting SAWDC 	<ul style="list-style-type: none"> • Continue and expand

	FY2017 (remainder of current FY)	FY2018	FY2019
Philanthropic Support	<ul style="list-style-type: none"> • Research and identify appropriate local and national funding sources, submit requests as per funders' guidelines • Develop boilerplate proposals and other grant-related materials • Ascertain information about the National Fund's future investment priorities, and develop proposals as appropriate 	<ul style="list-style-type: none"> • Continue to identify funders and submit requests • Refine and broaden boilerplate proposal materials • Convene local private funders to advise and otherwise support efforts targeting regional and national funders 	<ul style="list-style-type: none"> • Continue and expand
Employer Contributions	<ul style="list-style-type: none"> • Develop rigorous process for documenting employer aligned funds • Identify and pursue opportunities for employer support for specific activities and initiatives implemented under the auspices of the sector partnerships 	<ul style="list-style-type: none"> • Document and report employer aligned funds • Pursue opportunities for employer direct funding of CareerRise activities 	<ul style="list-style-type: none"> • Document and report employer aligned funds • Pursue opportunities for employer direct funding of CareerRise activities