

Southwest Planning Region

Local Workforce Development Areas

Allegheny County

City of Pittsburgh

Southwest Corner

Tri-County

Westmoreland-Fayette

Workforce Innovation & Opportunity

Act Multi-Year Regional Plan

Program Years 2017-2019

Region Workforce Development Area name: Southwest Planning Region

Effective Date: January 1, 2018

Modifications Effective Date: January 1, 2020

1.1. Identification of the region.

- Name of the Region: Southwest Planning Region
- Local workforce development areas that comprise the region:
 - Allegheny County Workforce Development Area (SW005)
 - City of Pittsburgh Workforce Development Area (SW095)
 - Southwest Corner Workforce Development Area (SW165)
 - Tri-County Workforce Development Area (SW110)
 - Westmoreland Fayette Workforce Development Area (SW045)
- Four local workforce development boards (LWDBs) oversee these local areas:
 - Three Rivers Workforce Development Board (TRWDB)
 - Allegheny County Workforce Development Area
 - City of Pittsburgh Workforce Development Area
 - Southwest Corner Workforce Development Board (SW Corner)
 - Tri-County Workforce Development Board (TCWDB)
 - Westmoreland/Fayette Workforce Development Board (Westmoreland-Fayette)
- Key Regional Committee Members
 - Fred Fornataro, Tri-County
 - Ami Gatts, Southwest Corner
 - Earl Buford, Partner4Work
 - Bill Thompson, Westmoreland-Fayette WDB
- Key Region Committee Meeting Dates
 - 3/27/17—Meeting with Southwest PA WDB staff to discuss planning
 - 4/18/17—Regional Planning Meeting and Discussion
 - 5/10/17—Meeting with Southwest PA WDB staff to discuss planning
 - 5/25/17—Southwest PREP Economic Development Partners Meeting
 - 6/15/17—Meeting with Southwest PA WDB Directors to update activity
 - 6/26/19 – Conference call with regional board directors to discuss plan modifications

Note: The Chief Elected Officials for Allegheny County and the City of Pittsburgh have designated TRWIB, Inc. (D.B.A. Partner4Work) as the fiscal agent and administrative entity for WIOA Title I Adult, Dislocated Worker, and Youth funding. Staff of the Three Rivers Workforce Development Board are employees of TRWIB, Inc. (D.B.A. Partner4Work). As such, Partner4Work functions and activities referenced in this document are carried out on behalf and as a representative of the Three Rivers Workforce Development Board.

1.2. Describe the collection and analysis of regional labor market data (in conjunction with the commonwealth).

The Southwest Pennsylvania regional labor market is growing for employers and sectors after decades of transforming from an industrial economy to one of innovation and technology (with industries still very important). The Region also has populations with significant barriers to employment across a diverse labor force. A strong and collaborative regional approach, coupled with distinct local solutions, is required for successful matching of employer needs with job seeker skills in key sectors and priority occupations.

This part will review the salient regional labor market data, overlay the labor market demographics with the region's economic conditions, as articulated from the perspective of the LWDBs and their partner organizations, and then identify the key overarching in-demand employer needs.

Regional Labor Market Overview

The Southwest Planning Region is comprised of Tri-County Workforce Development Area, Westmoreland-Fayette Workforce Development Area, Allegheny County and City of Pittsburgh Workforce Development Areas, and Southwest Corner Workforce Development Area. The region includes nine counties: Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Washington, and Westmoreland. Overall, it is home to 2,472,490 citizens¹.

The population in the Southwest Planning Region is estimated to have declined from 2,483,851 in 2010 to 2,472,490 in 2017, resulting in a decline of 0.5%. Over the next five years, the population is projected to remain stagnant. The population in the state is estimated to have increased from 12,702,379 in 2010 to 12,822,858 in 2017, resulting in an increase of 0.9%. Over the next five years, the population is projected to grow by 0.8%².

In 2017, the median age for the region is 43.2, while the average age is 42.5. Five years from now, the median age is projected to be 43.9. Comparatively, the current year median age for Pennsylvania is 40.9 (which is younger than the region), while the average age is 41. Five years from now, the median age is projected to be 41.6³.

EDUCATION

A comparable amount of citizens age 25 and over have earned an advanced degree in the region (30.8%) and the state (28.5%). A higher percentage of residents in the region have graduated high school than in the state with only 7.6% not completing high school in the region compared to 10.8% in the state. Currently, it is estimated that 8.6% of the population age 25 and over in the Southwest Planning Region had earned a Master's Degree, 1.8% had earned a Professional School Degree, 1.5% had earned a Doctorate Degree and 18.9% had earned a Bachelor's Degree. In comparison, for the state, it is estimated that for the population over age 25, 8.0% had earned a Master's Degree, 1.8% had earned a Professional School Degree, 1.4% had earned a Doctorate Degree and 17.3% had earned a Bachelor's Degree⁴.

¹ Population estimates per Claritas, Nielsen Answers, 2017

² Ibid.

³ Ibid.

⁴ Ibid.

INCOME

In 2017, the average household income for the region is estimated to be \$75,397, which is just below the state (\$77,812). The average household income in the region is projected to increase over the next five years, from \$75,397 to \$81,973. The average household income in the state is also projected to increase over the next five years, from \$77,812 to \$84,180, which is growth just below the projection for the region⁵.

EMPLOYMENT

The percentage of civilians who are unemployed in the region (4.2%) is just below that of the state (5.0%), but in general employment is comparable in the region and the state. For the Southwest Planning Region, the employment status of the population age 16 and over is as follows: 57.9% are employed civilians, 4.2% are unemployed civilians, and 37.8% are not in the labor force. For the state, the employment status of the population age 16 and over is as follows: 57.7% are employed civilians, 5.0% are unemployed civilians, and 37.3% are not in the labor force.

Occupational classifications are comparable as well, with the region having a slightly higher percentage employed in white collar occupations. The occupational classification for the region are as follows: 19.6% hold blue collar occupations, 62.9% hold white collar occupations, and 17.5% are occupied as service & farm workers. The occupational classification for the state are as follows: 21.3% hold blue collar occupations, 60.6% hold white collar occupations, and 18.1% are occupied as service & farm workers⁶.

POPULATION WITH BARRIERS

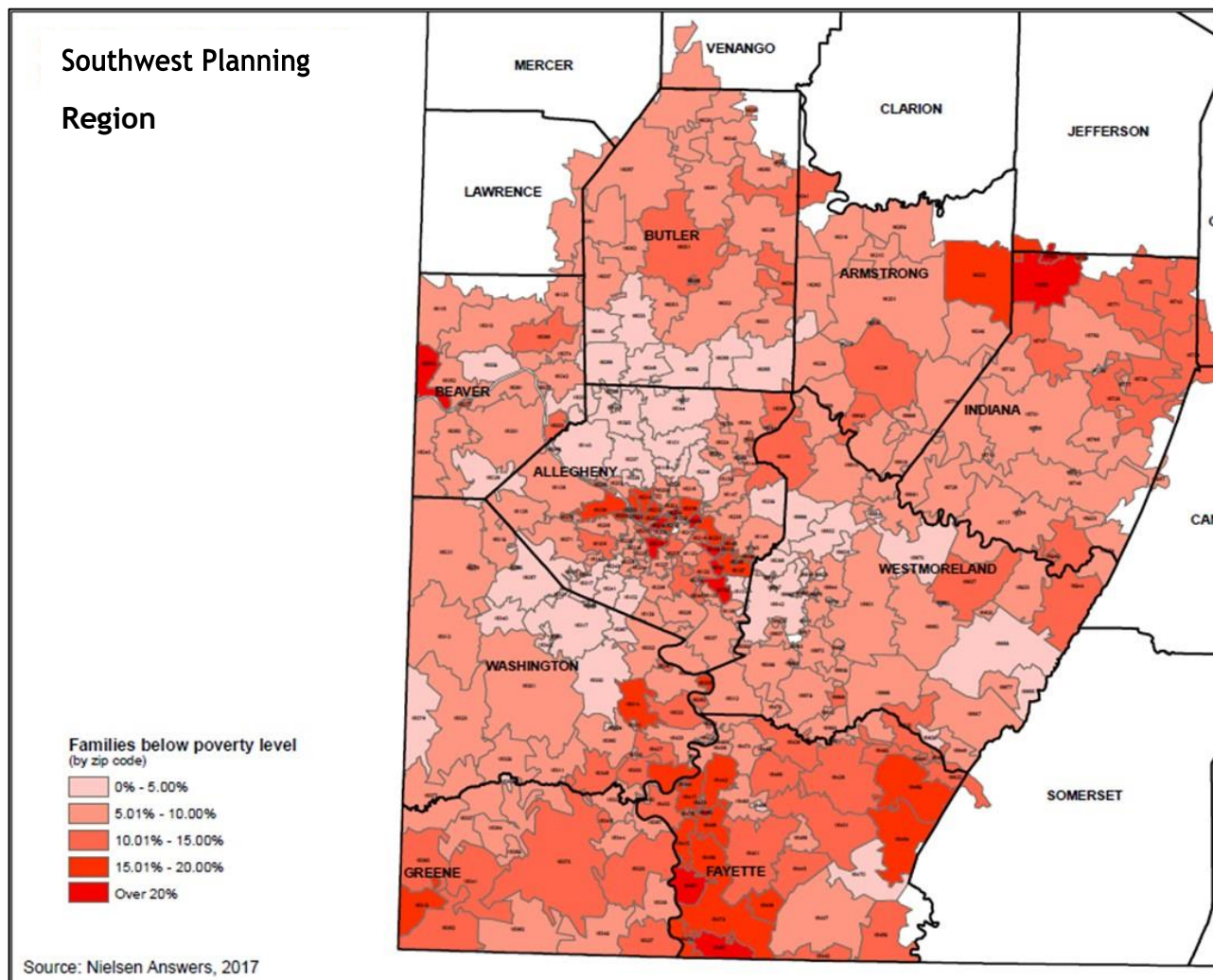
Poverty

Among the factors that often contribute to poverty are unemployment and underemployment. Many people live in poverty because they are unable to find a job that pays a living wage or to find a job at all. When looking at the region, 8.6% of families are living in poverty. There is a portion of Allegheny County (select Pittsburgh zip codes), Beaver County (Midland), Fayette County (Merrittstown, Masontown, and Lake Lynn) and Indiana County (Smicksburg) with poverty levels greater than 20%. Single parents are more likely to be living in poverty, with 12.1% of households in the county considered single parent households⁷.

⁵ Ibid.

⁶ Ibid.

⁷ Ibid.



Ex-Offenders

According to the Urban Institute, most individuals released from prison held some type of job prior to incarceration and want legal, stable employment upon release. Some criminal justice research suggests that finding and maintaining a legitimate job can reduce former prisoners' chances of reoffending, and the higher the wage, the less likely it is that individuals will return to crime. However, most former prisoners experience difficulty finding a job after release. During the time spent in prison, many lose work skills and are given little opportunity to gain useful work experience. Moreover, the availability of job training programs in prison has declined in recent years. A large proportion of former prisoners have low levels of educational attainment and work experience, health problems, and other personal characteristics that make them hard to employ. Once in the community, not only are many employers reluctant to hire convicted felons, but many former prisoners are legally barred from certain occupations⁸. In the Southwest Planning Region, in 2015 there were 33,941 individuals released from a county jail and in 2016 there were 2,834 individuals released from a state

⁸ Urban Institute is a nonprofit organization dedicated to elevating the debate on social and economic policy. they conduct research and offer evidenced based solutions to improve lives and strengthen communities (www.urban.org).

prison⁹.

Individuals with a Disability

According to the Division for Social Policy and Development Disability, in developing countries, 80% to 90% of persons with disabilities of working age are unemployed, whereas in industrialized countries the figure is between 50% and 70%. Persons with disabilities are frequently not considered potential members of the workforce. Perception and prejudice continue to limit understanding and acceptance of disability in workplaces everywhere. Employers are often misinformed about the expense of accommodating an employee with a disability¹⁰. The PA Office of Vocational Rehabilitation (OVR) educates and supports employers with accommodations. OVR has recently become an advocate for accommodations for incumbent workers who experience a disability. Even when embraced in the workforce, finding reliable, safe transportation can be challenging for those with physical difficulties.

When looking at the region, 5.4% of those employed have a disability, while 15.6% of those unemployed have a disability. In the region, unemployment is 148.0% higher for those with a disability (15.3%) compare to those without a disability (6.2%)¹¹. There are also 19,083 students receiving services through the local Intermediate Units, with just under half (49.2%) of those students having a learning disability, 9.0% have an intellectual disability, 1.1% have a speech/language impairment, 12.5% have emotional disturbances, 16.6% have health implications and 10.5% have autism¹².

Additional Barriers

In the region, there were 17,433 children between the ages of 0 and 17 receiving TANF Assistance in 2016¹³, 4,659 youth had a juvenile disposition in 2015¹⁴, and there were 1,924 births to mothers with less than a high school education¹⁵. According to the PA Department of Health in 2014, the teenage pregnancy rate in Fayette County (41.6%) was significantly higher than the state (27.2%). The teenage pregnancy rate in Allegheny (23.6%), Butler (12.2%), Indiana (16.7%), Washington (22.1%), and Westmoreland (18.9%) counties were all significantly lower than the state¹⁶.

In summarizing the compelling demographics of the Region, significant populations comprise the labor force that most likely have a lower participation rate than the general population.

Additional demographics for those with barriers show significant populations:

- 8.6% families are living below poverty (Nielsen Answers)
- 5.0% of households speak a language other than English at home (Nielsen Answers)
- 12.1% of families are single parent families (Nielsen Answers)

⁹ Department of Corrections

¹⁰ The Division for Social Policy and Development is part of the Department of Economic and Social Affairs which focuses on strengthening international cooperation for social development (www.un.org).

¹¹ U.S. Census Bureau, American Community Survey, 5 Year Estimates

¹² PA Department of Education Bureau of Special Education

¹³ PA Department of Welfare

¹⁴ PA Juvenile Court Judge's Commission Annual Report

¹⁵ PA Department of Health

¹⁶ Ibid.

- 2,834 individuals were released from a state prison in 2015 and 33,941 individuals released from county jails (PA Department of Corrections)
- In 2015, 1,094 children left foster care, 7.0% (134) aged out of the foster care system (PA Partnerships for Children)
- In 2015, there were 4,659 youth with a juvenile court disposition (PA Juvenile Court Judge's Commission Annual Report)
- In 2016, 17,433 children between the ages of 0-17 were receiving TANF assistance (PA Department of Human Services)
- Of the estimated 1,193,635 individuals in the labor force:
 - 5.4% (56,674) of those employed had a disability
 - 15.6% (10,797) of those unemployed had a disability
 - 15.3% of the disabled population is unemployed
 - Unemployment is 148% higher for those with a disability
 - 6.2% is the unemployment rate for those without a disability
 - 7.2% is the overall unemployment rate
 (Source: US Census Bureau, American Community Service, 5 year estimates)
- During the 2015 Point in Time Count, 2,283 people were counted at homeless that designated evening in January (HUD, Point in Time Count)
- In 2016, 5,637 students were homeless as defined by the McKinney-Vento Homeless Assistance Act (PennLive)

This labor market summary provides the foundation for the four LWDBs (and their community and workforce partners) with the following regional labor market analysis.

On the positive side, the Southwest Planning Region population is a little older, educated, and make more money when compared to Commonwealth. But the labor market population is showing a two-part opportunity, one of an older population needing one set of skills while the younger, growing population is filling the new technology and information related jobs. On the positive side also, the unemployment rate is relatively low indicating that jobs are comparatively plentiful.

A potential negative impact of the unemployment rate being comparatively low is that finding the right workers with the right skills for employers may be more challenging than ever. With a high percentage of the labor market not participating, the Southwest Planning Region must look toward and reach out to those populations, often possessing barriers, that are not robustly participating in the labor market. This includes those living in poverty, returning citizens, and others with barriers. As noted in the map above, poverty is evident in large parts of the region but highly concentrated (20.0% or higher) in certain areas.

Regional Employer Overview

The Southwest Planning Region has a significant and growing employer base. Comparing the density of the employment concentration (through Location Quotients), concentrated employment opportunities in the region and historical and emerging sector trends help better understand the gaps for employers and business across Southwest Pennsylvania.

Location quotient (LQ) is a valuable way of quantifying how concentrated a particular industry, cluster, occupation, or demographic group is in a region as compared to the nation. Per EMSI, LQ can reveal what makes a particular region “unique” in comparison to the national average. The Location Quotients for the key industry clusters as delineated by the Center for Workforce Information and Analysis by local workforce development area are as follows:

Industry Cluster	Agriculture & Food Production	Advanced Manufacturing	Building & Construction	Bio-Medical	Business Services	Education	Energy	Health Care	Hospitality, Leisure & Entertainment	Logistics & Transportation	Real Estate, Finance & Insurance	Wood, Wood Products & Publishing
2015 Employment	18,382	90,865	75,730	14,683	159,400	107,354	38,992	205,329	129,078	37,238	66,415	12,122
Employment Growth (2010-2015)	799	4,057	4,068	1,243	14,432	(10,271)	5,799	7,051	8,080	2,498	(325)	(2,175)
2010 Employment	17,583	86,808	71,662	13,440	144,968	117,625	33,193	198,278	120,998	34,740	66,740	14,297
Percent Growth (2010-2015)	4.5%	4.7%	5.7%	9.2%	10.0%	-8.7%	17.5%	3.6%	6.7%	7.2%	-0.5%	-15.2%
Three Rivers Location Quotient	0.39	0.73	0.87	1.46	1.31	1.00	0.82	1.31	0.94	0.86	1.38	0.53
Westmoreland Fayette Location Quotient	0.64	1.56	1.15	0.85	0.69	0.90	1.44	1.09	1.02	1.33	0.55	1.24
Southwest Corner Locatient Quotient	0.36	1.45	1.36	0.09	0.78	0.98	4.32	1.09	0.89	0.91	0.61	0.67
Tri-County Location Quotient	0.58	1.62	1.23	0.83	0.87	0.96	2.60	1.12	0.83	0.81	0.53	0.90

Source: Quarterly Census of Employment and Wages

Based on the analysis presented above, aggregate Location Quotients are higher than the national average in the Advanced Manufacturing, Energy and Health Care industry cluster areas. While Construction shows high growth, the Building and Construction industry cluster may require specific additional investment consideration given the growth opportunities enhanced by developments such as the Ethane Cracker and Petrochemical Complex set for construction in Beaver County¹⁷.

Data is not available at this time from the Center for Workforce Information and Analysis regarding regional Location Quotients.

While these are general Location Quotients for each local workforce development area, reviewing specific occupation-based Location Quotients also demonstrates an interesting concentration of occupations. High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average.

When looking at the individual workforce development areas that make up the region the following are the largest LQs in each WDA:

- Three Rivers WDA: Bio-Medical (LQ=1.46), Real Estate, Finance and Insurance (LQ=1.38), Business Services (LQ=1.31) and Health Care (LQ=1.31)
- Westmoreland-Fayette WDA: Advanced Manufacturing (LQ=1.56), Energy (LQ=1.44), and Logistics and Transportation (LQ=1.33)
- Southwest Corner WDA: Advanced Manufacturing (LQ=1.45), Building Construction (LQ=1.36), and Health Care (LQ=1.09)
- Tri-County WDA: Energy (LQ=2.60), Advanced Manufacturing (LQ=1.62), Building Construction (1.23), and Health Care (1.12)

Additionally, long-term industry projections for the Southwest Planning Region also provide a

¹⁷ [Pittsburgh Post-Gazette: Shell cracker plant in Beaver County to provide 600 jobs when it opens](#)

window into employer demand to match job seeker supply. When looking at long-term industry projections the highest level of projected growth is in Construction. This is currently a sector with high unemployment and growth will provide an opportunity to bring back displaced workers.

Labor Market trends can be examined by looking at Long Term Industry Projections as well as other labor market information. Regarding Long Term Industry Projections from 2014-2024, the total employment in the Southwest Planning Region is projected to increase by 5.0% or 60,970. Construction is projected to experience the greatest percent increase and is an area that currently has a high unemployment rate, which will provide an opportunity for those displaced workers to re-enter the workforce. Education and Health Services is projected to experience the most volume growth, accounting for 44.6% of the expected employment growth in the region.

Long-Term Industry Employment Projections for Southwest PA Region

Industry	Empl. (2014)	Proj. Empl. (2024)	Employment Change (2014-2024)	
			Volume	Percent
Total Jobs	1,231,050	1,291,990	60,940	5.0%
Goods Producing Industries	171,460	177,190	5,730	3.3%
Agriculture, Mining & Logging	26,960	26,600	-360	-1.3%
Construction	53,290	61,670	8,390	15.7%
Manufacturing	91,210	88,920	-2,290	-2.5%
Services-Providing	1,001,670	1,055,910	54,240	5.4%
Trade, Transportation & Utilities	218,730	224,310	5,580	2.6%
Information	17,200	16,410	-790	-4.6%
Financial Activities	69,680	71,450	1,770	2.5%
Professional & Business Services	166,110	178,500	12,390	7.5%
Education & Health Services	287,980	315,180	27,200	9.4%
Leisure & Hospitality	117,820	126,850	9,030	7.7%
Other Services, Except Public Admin.	58,480	60,310	1,830	3.1%
Federal, State & Local Government	65,670	62,900	-2,760	-4.2%
Self Employed	57,920	58,890	970	1.7%

Source: Center for Workforce Information & Analysis; Based on Long-Term Industry Projections (2014-24)







While Construction is the highest based on percent at 15.7% increase, a special note must be made here regarding the impact of the Ethane Cracker and Petrochemical Complex being constructed in Beaver County in Southwest Corner Workforce Development Area but impacting the entire region, western Pennsylvania and neighboring states.

The Ethane Cracker plant will bring an immediate estimated 6,000 construction jobs and

approximately 600 jobs permanently in Energy sector related positions, per Shell Chemical. The location is prime for this facility due to its proximity to gas supplies, creating shorter and more reliable supply chains than those for comparable facilities on the U.S. Gulf Coast and the facility will be within 700 miles of North American polyethylene customers, the company noted.

Education and Health Services, Leisure and Hospitality, and Professional and Business Services are also projected to grow significantly. Information, Federal, State and Local Government, as well as Manufacturing are projected to decline. The region's workforce and economic development agencies are working to identify strategies to attract and train talent to reverse the decline in Manufacturing employment. Several initiatives detailed below, directly address the challenges. Manufacturing, because of the strong supply chain effects, is a critical component along with Healthcare, Education and Professional & Business Services.

Growing & Declining Industries

Industry	Change in Jobs (2015-2016)	
Services for the Elderly and Persons with Disabilities	1,184	
Corporate, Subsidiary, and Regional Managing Offices	872	
Limited-Service Restaurants	676	
Iron and Steel Mills and Ferroalloy Manufacturing	-863	
Offices of Bank Holding Companies	-917	
Support Activities for Oil and Gas Operations	-1,563	

Source: EMSI, 2017

While this is an update of data, the decline in support activities for oil and gas operations speaks to the volatility of the energy sector. However, as noted above, the Ethane Cracker and Petrochemical Complex may add some broad stability to the sector. Declines in coal mining and natural gas activities for now will provide some assessment by the local workforce areas regarding engaging this sector.

Another method of confirming and corroborating long-term industry projections for the Southwest Planning Region is through the North American Industrial Classification System (NAICS) codes. The Center for Workforce Information and Analysis on their website (www.workstats.dli.gov) notes, "data contained in these tables are the best available source of information for estimating job opportunities, developing training programs and gaining an insight into future employment trends". Based upon a summary of the four Local Workforce Development Areas, the chart below is the ten-year Long-Term Industry Projections for the Southwest Planning Region.

Long- Term Industry Employment Projections, 2014-24
Southwest Planning Region Estimates

NAICS	NAICS Title	Empl. 2014	Empl. 2024	Volume Change	Percent Change	Avg Annual Change
	TOTAL, ALL INDUSTRIES	1,231,050	1,291,990	60,940	5.0%	6,094
11	Agriculture, Forestry, Fishing and Hunting	9,350	9,450	100	1.1%	10
21	Mining, Quarrying & Oil & Gas Extraction	17,610	17,150	-460	-2.6%	-46
22	Utilities	6,540	6,580	40	0.6%	4
23	Construction	53,290	61,670	8,390	15.7%	839
31-33	Manufacturing	91,210	88,920	-2,290	-2.5%	-229
42	Wholesale Trade	40,810	40,990	180	0.4%	18
44-45	Retail Trade	131,850	134,430	2,580	2.0%	258
48-49	Transportation & Warehousing	39,530	42,310	2,780	7.0%	278
51	Information	17,200	16,410	-790	-4.6%	-79
52	Finance & Insurance	55,670	56,710	1,040	1.9%	104
53	Real Estate & Rental & Leasing	14,010	14,740	740	5.3%	74
54	Professional, Scientific & Technical Services	74,540	81,160	6,630	8.9%	663
55	Management of Companies & Enterprises	39,320	41,240	1,920	4.9%	192
56	Administrative & Waste Management & Remediation Services	52,250	56,100	3,850	7.4%	385
61	Educational Services	94,530	97,040	2,510	2.7%	251
62	Health Care & Social Assistance	193,450	218,140	24,700	12.8%	2,470
71	Arts, Entertainment & Recreation	20,720	22,510	1,800	8.7%	180
72	Accommodation & Food Services	97,100	104,340	7,240	7.5%	724
81	Other Services, except Government	58,480	60,310	1,830	3.1%	183
99	Government	65,670	62,900	-2,760	-4.2%	-276
	Self Employed	57,920	58,890	970	1.7%	97

Source: Center for Workforce Information & Analysis; Based on Long-Term Industry Projections (2014-24)

An analysis of the above confirms the industry growth in areas including Construction, Professional and Technical Services, Health Care and Social Assistance. This is just one data source. As recommended by the Center for Workforce Information and Analysis, “the projections are estimates of employment levels and trends, not exact counts. Events may occur during the 10-year projection period that are impossible to predict. These data are most useful when used in conjunction with other data. Examples of this include the anticipated higher growth in Construction due to the Ethane Cracker and Petrochemical Complex construction and the key skills areas of Manufacturing related to the specific demographic labor market needs of that industry. In these cases, the initial positive and negative NAICS information, respectively, is but one indicator in the analysis of the various industry sectors.

Another NAICS industry cluster that the Southwest Planning Region may explore is the Self-Employed Workers. Sometimes also called the “Gig Economy”, this may be an area of consideration. TRWDB has done some work in this area and it may be something to consider and explore throughout the region.

The Southwest Planning Region has identified Manufacturing, because of its strong supply chain effects, specific skill needs and community impact, as a critical component and in-demand cluster along with Healthcare, Freight & Logistics, and Construction and Building Trades as key in-demand clusters leading toward sector related responses and priority of program activities for all programs and all partners in the public workforce system across Southwest Pennsylvania. The Southwest Planning Region will continue to explore employer and demand driven opportunities to reflect the demand of the labor market.

1.3. Based on the analysis of the regional labor market and economic conditions, describe the region's workforce and economic development-oriented vision and goals.

The Southwest Planning Region shares the Governor's vision of serving Pennsylvania's businesses through the creation of a skilled workforce. We embrace the Governor's focus on promoting high-quality jobs and connecting job seekers with the training necessary to build the skills needed for viable, long-term, and family-sustaining jobs. Strategic alignment at the regional level will lead to a stronger, more nimble workforce development system that concurrently and effectively serves both job seekers and business.

The Allegheny Conference on Community Development Regional Investors, as part of Opportunity 2025, funded the report "Inflection Point: Supply, Demand and the Future of Work in the Pittsburgh Region. A forward look at the coming transformation of work across the Pittsburgh region and its implications for employers, educators and workforce talent". Published in 2016, this report provides a comprehensive analysis of the region's occupational demand and talent supply¹⁸.

This comprehensive report examines many critical factors of the Pittsburgh regional labor market including several cross-cutting trends such as aligning supply and demand, a changing 21st century workforce, hybrid jobs, upskilling and upcredentialing.

The Inflection Point report then provides recommendations for action that include:

- The employer community must lead change and shift from being consumers of talent to becoming investors in the labor marketplace.
- Focus on upskilling talent in the region
- Capitalize on innovation in Information Technology, Advanced Manufacturing and Finance

The report then defines the occupational focus. The report focuses on five occupational clusters of Information Technology, Business & Finance, Engineering, Science and Production, Healthcare, and Construction. The report then selects the two industry sectors to expressly analyze, Energy and Retail & Hospitality.

The Inflection Point report provides a solid foundation of analysis and consideration for the regional plan and related local plans.

The Southwest Planning Region recognizes the importance of a coordinated and innovative regional workforce development system. We strive to create a workforce system that presents a seamless face of public workforce throughout Southwest Pennsylvania but preserves local boards' flexibility to innovate in serving local workforce needs. The region agrees wholeheartedly with the Governor's conviction that an effective workforce development system will be built on a foundation of alignment, innovation, employer engagement, accountability structures and improved data. We have developed the following three regional goals, in alignment with the Governor's five state goals:

¹⁸ [Allegheny Conference on Community Development: Inflection Point Report](#)

1. Enhance coordination between local boards

Regional collaboration must begin on the foundation of solid communication. While the Southwest Planning Region has begun to work together on several key initiatives, described below, growing our regional strengths and collaborations will require strengthening the coordination between our local areas. The Southwest Planning Region recognizes that a united workforce system leads to a more efficient system. We will seek opportunities to align services for employers and job seekers in the region and leverage diverse funding streams.

Improved regional coordination increases the opportunity to pursue competitive funding and pilot programs that can be brought to scale if effective. We have begun the process of breaking down the silos that separate workforce programs in our region through pilots of several projects that leverage diverse funding. The first model, the Veterans Value Initiative (VVI), a partnership between TRWDB, TCWDB, and Westmoreland-Fayette WDB to provide career services and training to veterans, shows promising practices for pooling capacity and funding to capitalize on economies of scale. In the second model, SW Corner and Westmoreland-Fayette WDB, will utilize National Dislocated Worker Grant funding (USDOL POWER grant) to reengage dislocated workers from the coal industry in the labor market through the USDOL POWER program. SW Corner, Westmoreland-Fayette WDB, and TCWDB are recipients of a SW Regional Energy Sector Strategic Partnership Project Grant. The partnership is working to develop and coordinate a continuum of programs and partnerships that connect the region's dislocated workforce, impacted by the coal industry decline, and transition into careers that offer self-sustaining wages and growth potential in the Energy sector.

The focus on these sectors results in an increased attractiveness of other funding streams to reach out and collaborate with the Southwest Planning Region's workforce development areas. Recently, the Appalachian Regional Commission (ARC) has participated and funded programs entitled "Black to Blue" to train dislocated coal miners in the natural gas utility and pipeline industry. Administered through the SW Corner WDB, this program will provide opportunities for dislocated coal miners throughout the region.

Another effective WDB involved regional coalition includes the Tri-State Shale Coalition. This coalition includes the Allegheny Conference, Benedum Foundation, Manufacturing Extension Partnership, workforce development boards, community colleges, and universities.

Among the goals are:

- Create and conduct a regional promotion and outreach strategy for recruiting manufacturing and supply chain businesses (including foreign investment) into this region's shale/manufacturing cluster
- Identify strategies and resources to move critical infrastructure projects forward
- Obtain resources for workforce development and job training for shale-sector and associated manufacturing opportunities

The VVI, now completed, was a regional approach designed to increase veterans' access to career services and work-based training programs, and to increase employer use of work-based training programs as incentives to hire veterans. Through this initiative, promising practices for employer engagement, serving priority populations, and developing career

pathways for high demand positions were identified and replicated. VVI represents an example of regional collaboration between TRWDB, TCWDB, and Westmoreland-Fayette WDB. With the USDOL POWER Grant, SW Corner, Westmoreland-Fayette, and Southern Alleghenies WDBs will serve the nearly 1,100 workers in Southwest Pennsylvania affected by layoffs in the coal industry. This program seeks to develop effective best practices for retraining workers and aligning the skills of the workforce with those needed by employers today. Utilizing the SW Regional Energy Sector Strategic Partnership Project Grant, SW Corner, TCWDB, and Westmoreland Fayette WDB will identify and implement best practices in training efforts for individuals in the Energy sector. The project will plan, identify, and align key partners, building a system of services to assist job seekers.

In September 2018, the local boards in the Southwest Region, along with several partner cities of Midwest Urban Strategies (MUS), were awarded a \$7.85 million USDOL Trade and Economic Transition Dislocated Worker grant. These funds will be used to implement a regional strategy to help mature dislocated workers, particularly those who have experienced dislocation in sectors negatively impacted by technology and automation, reconnect with employment in high growth occupations and industries. As fiscal agent, Partner4Work will retain nearly \$2.5 million in programmatic and administrative funds to deploy in the Pittsburgh region in partnership and coordination with Southwest Corner, Westmoreland-Fayette, and Tri-County workforce development boards.

The work among the LWDBs is not limited to only those LWDBs in the Southwest Planning Region. TCWDB is working with West Central Workforce Development Area on a program in manufacturing. TCWDB will continue the project through manufacturing pre-apprenticeships and also explore a possible health care pre-apprenticeship. As opportunities arise, the Southwest Planning Region will explore opportunities across regions and across states and employer and sector demand demonstrates.

1. Streamline talent delivery and business services

Over half (52.2%) of the employed residents of Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Washington, and Westmoreland counties leave their county of residence to work. Nearly 20% of Allegheny County employed residents (19.1%) leave Allegheny County to work¹⁹. Regional residents cross county lines for employment and regional employers draw their workforce from all the counties in Southwest Pennsylvania. These regional labor market trends mean that the same employers may interface with multiple LWDBs. While each board has developed the policies and procedures that best meet the needs of the businesses and job seekers they serve, opportunities for coordination to reduce the administrative burden may exist. A more complete explanation of this is evident in the chart below. The Southwest Planning Region will explore these opportunities.

¹⁹ Center for Workforce Information and Analysis

Living in the WDA but Employed Outside		
	Count	Share
Partner4Work	105,136	19.1%
Southwest Corner	96,853	55.0%
Tri-County	73,990	52.1%
Westmoreland-Fayette	103,852	49.8%

Source: Inflow/Outflow Report, 2014

Center for Workforce Information & Analysis

Each local board faces some of the same issues in their areas, including the need for orientation for job seekers to the system, how to best align services in the PA CareerLink® system, how to serve individuals with barriers to employment, and how to engage businesses in the system. We will examine ways to develop and share best practices for program delivery across our local areas and seek out innovations to consolidate messaging and amplify our impact. Recognizing that some job seekers cross county lines to access PA CareerLink® services, the local areas will work with PA CareerLink® One Stop Operators and Site Administrators as appropriate to discuss customer flow and how to best meet customer needs. The Southwest Planning Region will ask for guidance from the Department of Labor and Industry to determine a method of sharing resources and reporting.

2. Increase work related opportunities for youth and improve youth talent pipeline

Given the region's aging workforce and the potential of area youth, investing in the future talent pipeline is a key area of focus for the planning region. The Southwest Planning Region believes that youth must be exposed to a range of available careers in order to start on a career path to a sustainable future.

In accordance with the new requirements under WIOA, local boards in the Southwest Planning Region have prioritized services to out-of-school youth. We will share best practices in key areas, including techniques for identifying, recruiting and engaging disaffected youth and the design and delivery of effective work experiences and internships for OSY.

The development of career pathways and sector strategies for youth are promising areas for collaboration between local boards. Each of the local boards in the Southwest Planning Region is working to engage youth in career exploration. Westmoreland-Fayette WDB has implemented a college and career pathways model with Westmoreland County Community College (WCCC) to connect youth with education and the workforce. TCWDB and SW Corner have implemented career fairs, career awareness activities, and work-based learning programs by building the capacity and collaboration of local partners. TRWDB is building the capacity of local providers through STEM programs, youth entrepreneurship, and career exploration. The Southwest Planning Region will build on these and other efforts to cultivate employers in youth sector strategies and increase the awareness of high-growth occupations among area youth.

The Southwest Planning Region will actively examine other emerging opportunities for cooperation in serving employers. Through a Workforce Innovation Fund (WIF) grant, Westmoreland-Fayette WDB and TRWDB have worked with Westmoreland County Community College and Community College of Allegheny County, respectively, on developing

microcredentials along key career pathways. These pilots are designed to eventually be scalable for other community college partners. The smaller time commitment of microcredentials, along with their clear alignment with employer needs, make them useful tools for engaging OSY and individuals with barriers to employment. Microcredentials will continue to be explored by the Southwest Planning Region for future education and training activities.

Chevron has provided funding through the Appalachia Partnership Initiative to support the build out of Project Lead the Way. PLTW is in 57 K-12 schools across the tri state area. These efforts connect with the business education partnership grants in the region to build out the talent pipeline.

Collaboration with higher education represents an opportunity to help prepare the region's workforce for the needs of employers. While each local board is partnering with representatives of higher education in their respective local areas, the Southwest Planning Region will explore ways to partner with higher education as a collective group.

Sections 1.4 and 1.5 below describes in greater detail the efforts of the Southwest Planning Region to work with local economic development organizations to achieve our strategic goals, including working with the Allegheny Conference on Community Development and our Southwestern PA Partnership for Regional Economic Performance (PREP) network.

1.4. Describe the regional service strategies aimed at achieving the vision and goals established for the region.

The Southwest Planning Region is exploring and considering a network to improve the information sharing, referral and services to businesses throughout the region that is led by the workforce development needs of a business, the cluster and the sector. The Business Resource Network (www.thebrn.net) is a proven effective system that has served businesses since 2012. As part of the POWER grant mentioned earlier in this plan, the Southwest Planning Region is considering a program such as this. The Business Resource Network (BRN) has assisted over 3,000 businesses access \$17 million in workforce and economic development programs and incentives²⁰. The BRN helps the LWDBs and their partners identify, understand and access the services businesses need to ensure successful business outcomes, skilled employees and a growing workforce. The BRN will provide a regional focus and support for the Business Services Teams and others that constitute the contacts to businesses throughout the Southwest Planning Region.

The regional strategy is based on a strong relationship with local employers. The Business Service Teams (BST) across each local area provide PA CareerLink® services through personal visits and ongoing PA CareerLink® online support. They connect with the local Chambers of Commerce and Economic Development agencies to keep pace with developments within the region. These BSTs regularly meet and communicate with each other to build relationships across the region. The Southwest Planning Region recognizes the importance of small businesses in the region and focuses attention on connecting them with the services offered through PA CareerLink® and

²⁰ [Business Resource Network](http://www.thebrn.net)

sector strategies. BSTs are often comprised of members from EARN, local community colleges, economic development and other appropriate partner and community organizations.

Site Administrators, Supervisors of the Business Services Teams and Account Representatives will work to identify regional employer relationships that will prove critical to the success of the BSTs. These relationships will then be cultivated through individualized attention from Account Representatives, invitations to attend open houses and symposiums or events hosted by the various PA CareerLink® offices, and a menu of services available for business engagement, including training funds.

The region uses the generic term, “Account Representative,” to identify individuals who provide PA CareerLink® services to employers both large and small, and are members of their respective BSTs. The Account Representatives are employed by all the partners not just Title I or the LWDB controlled funds. Additionally, each respective area has PA Bureau of Workforce Partnership & Operation (BWPO) employees performing this function depending on classification. These individuals are supported by Wagner-Peyser funds. Account Representatives from across funding streams work together to build relationships with businesses in the communities.

The Account Representative will make personal visits to employers in his/her territory, and the employer will work individually with their personalized Account Representative. Each employer will be given an employer packet. This packet explains all the services that the PA CareerLink® can provide including but not limited to; contact information, an OJT informational flier, labor market information, tax credit information, Unemployment Compensation Workshops and current job fairs, trainings, presentations, etc.

Employers will be able to complete Job Gateway registration on their own or contact the PA CareerLink® for assistance from a staff member. Job orders can then be placed on the PA CareerLink® website once the employer has been approved, where it will be viewed by thousands of interested job-seekers. Recruitment assistance will be offered to employers in terms of promoting their recruitment events through advertisement at the PA CareerLink®, and resumes can be collected on their behalf. Recruitments and screening interviews can also be held on site at the PA CareerLink®. Additionally, labor market information will be available to employers including wage data, Equal Employment Opportunity compliance, industry and occupation projections, and new hire reporting guidelines. Employers can also receive information regarding the local and regional high priority occupations, receive information on State and Federal tax credits, or guidance concerning Federal Bonding.

Local areas within the region have implemented additional data tracking measures beyond those required by the law to understand in real time whether the system is adding value to local businesses. The success of the PA CareerLink® system in working with employers is measured in some areas by the number of job orders, placements, work-based training, and any job fairs that can be set up for the employer. Local areas also consider the provision of additional business services to be key factors for the employers with which they work. This can include but not be limited to programs that provide cohort training for employers at a reduced cost, information on low interest non-traditional business micro-loans, grant research, technical assistance, and government procurement opportunities.

Sector strategies represent an additional opportunity for business engagement in the region. Each local board in the region pursues sector strategies in industries such as Manufacturing, Healthcare, Energy, and Construction. Observing the overlap in these sectors, the Southwest Planning Region will explore opportunities to align local efforts into a region-wide effort.

The Southwest Planning Region is considering, as part of the Next Generation Sector Partnerships, a Freight & Logistics partnership. Logistics is a growing sector with an emerging mix of occupations that provide career-oriented jobs for individuals throughout the region.

Another regional effort is the Greater Pittsburgh Metals Manufacturing Community (GPMMC), a region-wide partnership that pursues sector strategies in Manufacturing. The designation, recently acquired through an Economic Development Administration *Investing in Manufacturing Communities Partnership Grant*, spans a twenty-county area including parts of Pennsylvania and West Virginia and is anchored by the nine counties in our region. GPMMC responds to a mismatch between the skills that manufacturing employers' need and the regional workforce's skills. In spite of the fact that the region is home to many educational institutions and workforce development organizations, regional industry employers continue to identify a number of workforce skills gaps. These include:

- Aging workforce with inadequate number of replacement workers: the Manufacturing sector has a high average age (28% of workers are age 55 and above) compared to other sectors in our region's economy
- Lack of connections to and awareness of manufacturing within the K-12 system
- Misperceptions about manufacturing occupations among students and parents
- Inadequate links among career/tech education, universities, and continuing education
- Integration of new technological knowledge for workers at all levels
- Need for underrepresented populations, veterans, persons with disabilities to have opportunities for well-paying jobs in manufacturing

To remedy these skills gaps, the region will facilitate industry-led development of a common curriculum for middle-skilled occupations as the foundation for new training programs, promote awareness of employment opportunities and shift perceptions among students and parents, and expand apprenticeships, internships and community college offerings for high-skills, high-wage metal jobs.

In addition to region-wide sector strategies, local boards have developed sector strategies in line with their labor markets. In addition to the shared regional priorities of Advanced Manufacturing, Healthcare, and Energy, TCWDB has sector strategies in Information Technology (IT) and Transportation and Logistics. TRWDB is developing industry partnerships in Information Technology (IT), Construction, Healthcare, Retail and Hospitality, Financial Services, Transportation and Logistics, and the Public Sector and Education. Westmoreland-Fayette WDB focuses on Hospitality and Tourism, Logistics, and Transportation. SW Corner gives special attention to metals. As we explore regional collaboration, we will work to build on existing successes rather than creating programs from scratch.

The Southwest Planning Region works with the Allegheny Conference on Community Development (ACCD) to connect workforce and economic development efforts. We are currently exploring ways to align efforts regarding higher education initiatives, increased demand for skilled labor driven by the cracker plant in the region, and work being done through the TechHire initiative. Further, our collaborative effort includes working through the Southwest Region PREP Network. All LWDBs are non-funded members. This membership includes interaction, sharing, referral for services and working on regional initiative, such as the POWER Grant and the Greater Pittsburgh Metal Manufacturing Community. We will continue to pursue opportunities to be more involved in regional Southwestern PA Partnership for Regional Economic Performance (PREP) activities, including referrals and outreach to employers on workforce development items moving forward.

1.5. *Describe the development and implementation of sector initiatives for in-demand industry sectors or occupations for the region.*

Southwestern PA Partnership for Regional Economic Performance (PREP) consists of the economic development partners of the nine-county Southwestern PA region working together to organize and achieve economic results for our region. The PA DCED funding has been used for the four economic development programs that have been serving the Southwest Pennsylvania community for approximately twenty years: the Local Development District; the Industrial Resource Center; the Industrial Development Corporations (county-based) and the Small Business Development Centers (university based). In addition, the PREP funded partners have involved the four LWDBs to continue efficient and effective coordination of workforce and economic development. This new strategy will:

- Strengthen the collaboration and coordination of economic and workforce development services;
- Further engage regional employers via employer collaboration groups; and
- Train incumbent and future workers to prepare them for family sustaining middle skills and high skilled jobs.

The process employed to meet these objectives will include:

- Asset Mapping and Partnership Development – The core purpose of the collaboration will be to functionally establish a more formal information exchange between the region’s workforce development delivery system, the region’s economic development delivery system and the employer community.
- Business Outreach and Assessment - The analysis will include workforce training needs, hiring plans and needs, and employer willingness to offer workplace learning opportunities to students.
- Employer Engagement, Training, and Hiring needs - Engage the employers in the Healthcare, Advanced Manufacturing and Energy sectors and identify training needs to remediate skill gaps in the workplace to improve productivity and competitiveness.

- Common Training Programs - Training incumbent and unemployed workers in a critical part of this initiative, and resources are allocated to support employer training and hiring needs. Partners will be cross trained in resources available to employers and leverage existing training programs to meet employer needs.

Recent objectives of the PREP partners integrated with workforce development efforts include:

- POWER Partners, integrating economic and workforce in coalfields for diversification in advanced metals, materials, and energy manufacturing funding from EDA and ARC
- Fayette –Greene Manufacturing consortium ARC funding; Westmoreland-Fayette WDB and SW Corner are members
- University of Pittsburgh Small Business Development Center has conducted entrepreneurship training in coal impacted areas of the region.
- EDA designation of the Greater Pittsburgh Metals Manufacturing community “Investing in Manufacturing Communities Partnership”; the effort is lead by PREP partner, Catalyst connection. The four LWDBs are listed as workforce partners.

As mentioned, the Southwest Planning Region will also explore through Next Generation Sector Partnerships the opportunities to expand and grow the regional and local sectors to better serve and address the needs of the Southwest Pennsylvania job seekers and employers.

1.6. *Describe how the region will connect employer labor force requirements and occupational demands with the region’s labor force, including individuals with barriers to employment.*

Local boards within the Southwest Planning Region seek to serve individuals with barriers to employment and other special populations, including veterans, low-income individuals, recipients of public assistance, individuals who are basic skills deficient, and out-of-school youth. Through the PA CareerLink® offices, the Southwest Planning Region aligns programming to meet the State and Federal requirements for Priority of Service; more than 51% of those served will be individuals with barriers to employment. Additionally, we have identified and implemented several promising practices for serving targeted populations outlined below: the Veterans Value Initiative and Veterans services through PA CareerLink®, services to low income individuals, microcredentialling and career pathway opportunities for individuals with barriers to employment, including out-of-school youth, and the collective impact model. The Southwest Planning Region will discuss possibilities for regionalizing or expanding these models.

Veterans

Veterans receive priority of service at PA CareerLink® offices, meaning that a veteran or qualified spouse receives priority access to services and training opportunities. Additionally, Title I staff within the PA CareerLink® system work closely with Local Veterans Employment Representatives (LVER) in each local area. The LVER provide services geared specifically towards veterans, including intensive job development activities, the initiation of referrals to social services, and regular follow-up to ensure that the veteran receives the support needed. Additionally, the LVER coordinates with local veterans service providers, provides information

about and referral to veterans programs, and reviews and analyzes the veterans program to ensure compliance with veteran standards.

As previously described, the Southwest Planning Region implemented an initiative to support workforce development for veterans with competitive funding. The Veterans Value Initiative (VVI) was a regional approach designed to increase veterans' access to career services and work-based training programs, and to increase employer use of work-based training programs as incentives to hire veterans. Through the initiative, promising practices for "veteran friendly" employers and career pathways for high demand positions have been identified and replicated. The Southwest Planning Region considers VVI a promising model of serving priority populations.

Low income individuals and recipients of public assistance

Low income individuals and recipients of public assistance are identified at the point of entry at local PA CareerLink® offices and informed of their entitlement to priority of service. In order to better serve this population, local boards within the Southwest Planning Region will explore opportunities to strengthen the partnerships between Title I WIOA services and TANF Employment Advancement and Retention Network (EARN) providers. Assistance from the Commonwealth on integrating these data systems would help reach more priority of service populations and avoid duplication of services.

Individuals with disabilities

Eligible individuals who self-identify as having a disability are referred to the Office of Vocational Rehabilitation (OVR) staff at PA CareerLink® for additional services. Eligible OVR customers can receive vocational counseling and guidance, vocational education, restoration, training, job placement and individualized supportive services. Job seekers with a disability are also served through Title I staff at the PA CareerLink®. This dual enrollment would be more effective and would better serve job seekers and employers with increased data sharing from OVR and enhanced program alignment. The Southwest Planning Region will look to OVR to suggest additional opportunities for partnership moving forward.

As a core partner, OVR has the ability to collaborate with the LWDB to serve individuals with disabilities. Eligible OVR customers receive multiple, individualized services that may include but not be limited to diagnostic, vocational counseling and guidance, vocational evaluation, restoration, training, and job placement. Under WIOA, OVR has the ability to provide both eligible and potentially eligible in-school youth with disabilities with pre-employment transition services (PETS) to better prepare these students for life after high school. OVR also provides multiple services to the business community designed to assist businesses with onboarding pre-screened qualified employees with disabilities.

Educational opportunities for groups with barriers

Individuals with basic skills deficiencies who enroll in Title I services through PA CareerLink® will be co-enrolled with Title II Adult Basic Education where appropriate. PA CareerLink® staff identify individuals who are basic skills deficient through an intake process, then refer these customers to appropriate literacy programs, including GED review classes, ESL, and math and English remediation courses.

Across the region 28,205 youths between age 16 and 24 are neither enrolled in education nor employed. This represents nearly ten percent of the youth in the Southwest Planning Region. To help reengage this population with the workforce system, we are working on career pathways and implementing innovative program models.

One such innovation has been piloted through a Workforce Innovation Fund grant by Westmoreland-Fayette WDB in partnership with Westmoreland County Community College (WCCC) and TRWDB with Community College of Allegheny County (CCAC). These partners have worked to develop stackable microcredentials in key career pathways and high priority occupations to reduce barriers to entry in high quality jobs. Westmoreland-Fayette and WCCC worked to build microcredentials in manufacturing. TRWDB and CCAC are focused on cyber security and health care. The best practices identified through the project will be shared across the region.

Collective impact

To connect regional populations to occupational demands across all targeted populations, the Southwest Planning Region has taken steps to build a collective impact system, which leverages the expertise and capacity of community-based organizations to increase the capacity of the public system. This model has been successfully piloted by TRWDB through the Pittsburgh Works initiative. Regional partners will work together to explore the potential for implementation of this model in the area.

In 2012, TRWDB launched the Pittsburgh Works initiative to address system fragmentation, reduce inefficient use of workforce development resources, and provide greater access to job placement services within the community. This innovative and nationally-lauded collaboration of more than 80 workforce development partners provided a framework needed to raise the quality of services provided to job seekers, respond to employer demand, and path more people into in-demand careers at family-sustaining wages. The Pittsburgh Works combination of tools and process provided an ideal platform to help our region identify regionally targeted populations and connect them to occupational demand. Though no longer branded as Pittsburgh Works, TRWDB continues to build on the success of this model in its effort to develop a regional Coordination Council, an organized network of partner agencies representing workforce development, education, human services, transportation, and other systems that work collaboratively to address barriers to employment. The Coordination Council will be integrated with industry partnership activities to ensure a high degree of employer engagement. Westmoreland- Fayette and TCWDB are exploring ways to leverage the best practices learned through the collective impact model in their local areas. SW Corner is initiating several Next Gen Sector Partnerships to assist efforts throughout the region. These include Building Trades and Construction (including Apprenticeship), Freight and Logistics, Manufacturing, and Health Care. While some of these are already regional, as they are established, each local area will have the opportunity to support their growth and expansion across the Southwest Planning Region.

Recognizing that employer skills needs do not stop at county lines, the Southwest Planning Region will utilize their regional efforts in the sector development, including the Next Gen Sector Partnerships noted in the previous paragraph, to regularly and effectively engage and

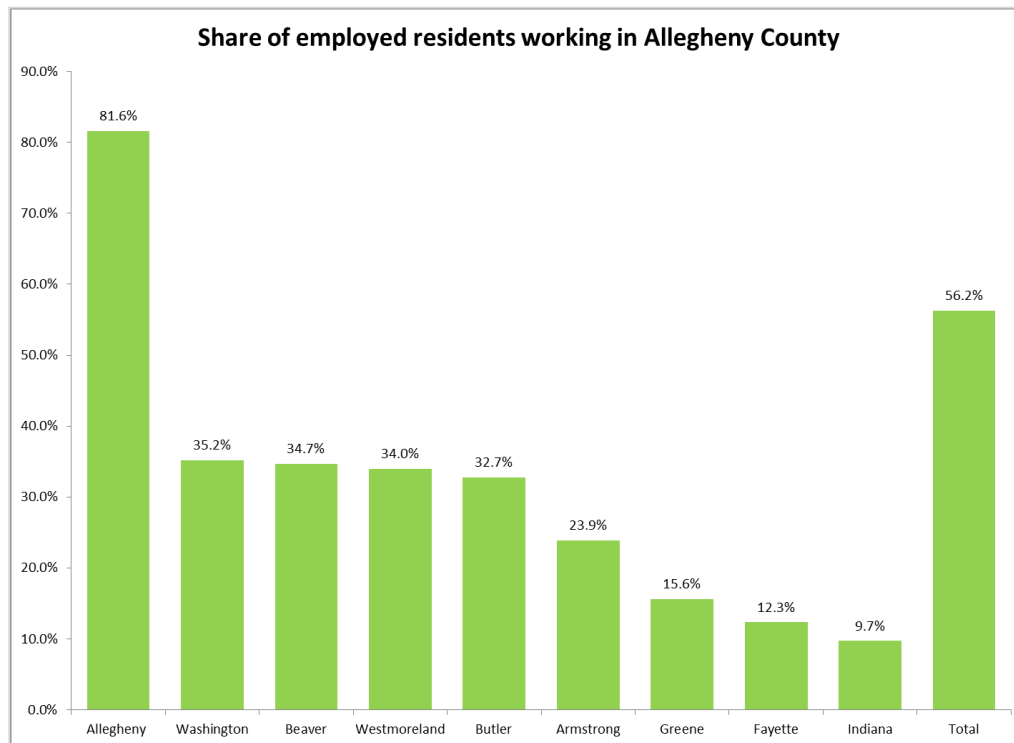
interact with employers in identifying and connecting employer needs with the regional labor force. Also, the Southwest Planning Region participated in the kick-off meeting of the Tri-State Energy and Advanced Manufacturing (TEAM) Consortium. This Consortium, led by Community College of Beaver County aligned with the workforce agenda of the Tristate Shale Coalition, Team NEO, Vision Shared and the Claude Worthington Benedum Foundation. This Consortium includes employers and their representatives to ensure a regular method of obtaining employer needs on a regional basis.

1.7. Describe the coordination of transportation and other supportive services for the region.

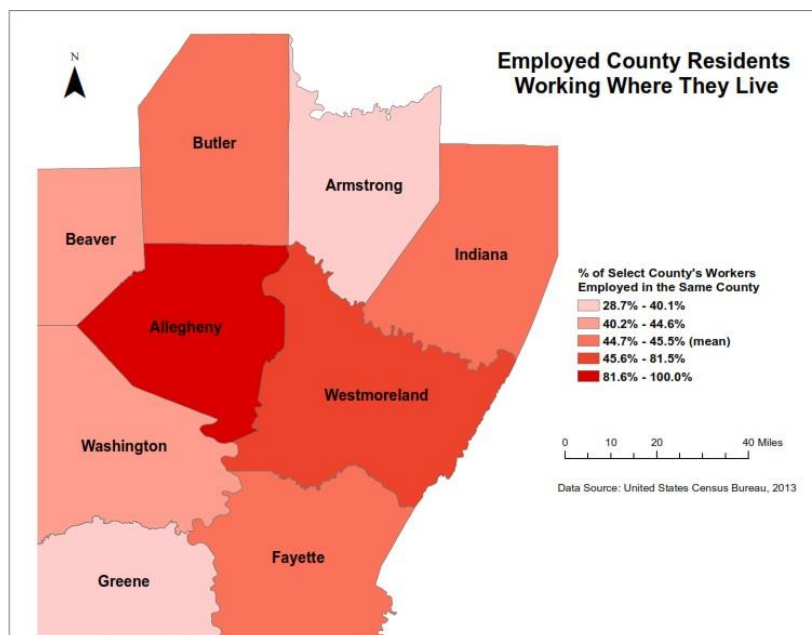
The Southwest Planning Region has a diverse geographic landscape, from rural, sparsely-populated areas like Greene and Indiana Counties, to suburban, moderately-populated areas like Westmoreland and Butler Counties, to the urban, densely populated City of Pittsburgh. Each county has unique transportation needs and varying levels of public transportation systems.

Most of the employed population in the region (77.7%) and state (76.5%) drives alone to work with an average travel time 28.6 minutes in the region and 29 minutes in the state.

Commuting patterns and business density also vary widely throughout the region. The economic influence of Allegheny County often draws residents of neighboring counties into Allegheny County for work. Allegheny County was home to nearly 60% of the jobs in the Southwest Planning Region in 2015. More than half (56.2%) of the region's employed residents work within Allegheny County. Lack of strong public transportation infrastructure between Allegheny and some outlying counties and within the outlying counties mean that workers frequently must rely on cars and ridesharing to commute to work. Indeed, 13.8% of Allegheny County residents employed outside of the home took public transportation or walked to work in 2015, compared with 3.9% of residents employed outside of their homes in the outlying counties. Due to these variations in local transportation options, each local board determines the best method to provide transportation assistance.



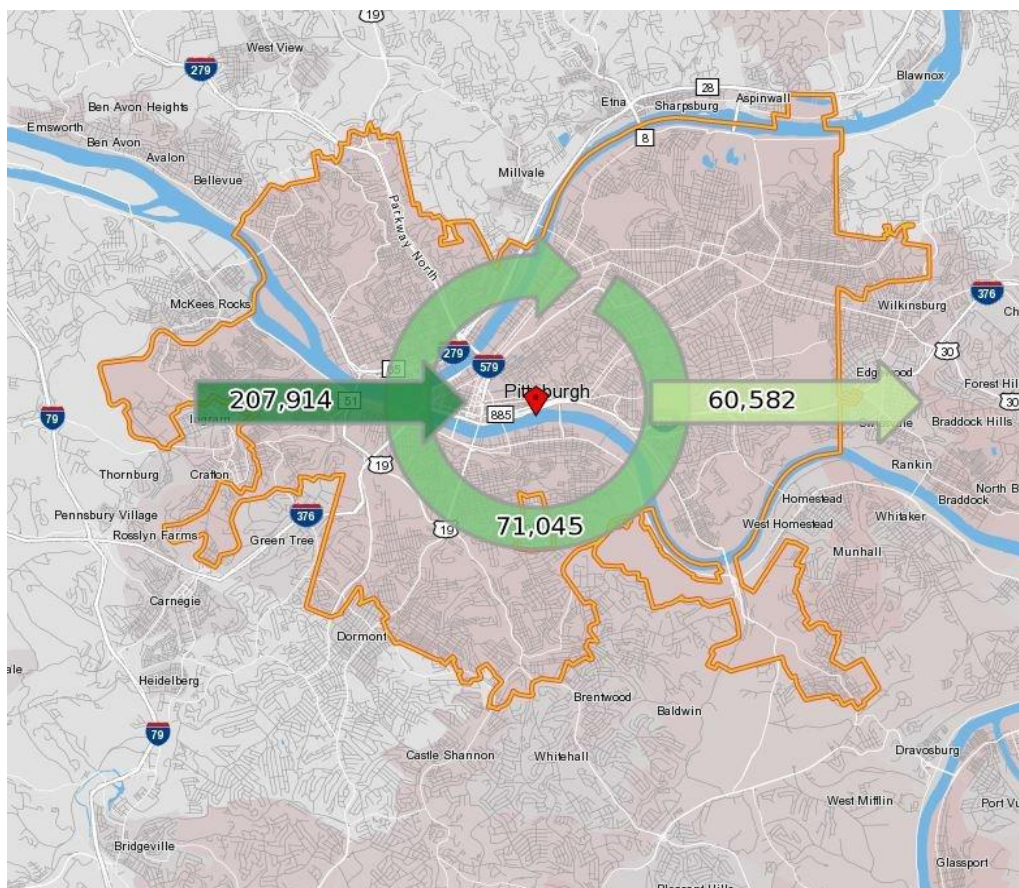
Eight out of ten Allegheny county residents both live and work within Allegheny County. None of the other eight counties in the region retain more than half of their employed workforce within their county at jobs within the county. In the other eight counties, the percentage of residents who both live and work within their own county ranges between a low of 29% (Armstrong County) and a high of 45% (Westmoreland, Fayette, Butler, and Indiana Counties).



Lack of reliable public transportation across the region remains an issue that affects both job seekers and businesses but is beyond the scope of LWDBs to address systemically. To that end, the local boards that make up the Southwest Planning Region will work to inform regional

discussions about transportation with ways transportation issues affect the labor force. These efforts will include working with the Allegheny Conference on Community Development (ACCD), which recently unveiled the Regional Transportation Alliance of Southwestern Pennsylvania, a public-private initiative that will develop a ten-county transportation plan for the region.

Pittsburgh serves as the hub of the Southwest Planning Region for employment and the transportation mapping demonstrates that more employed individuals commute into Allegheny County than commute out. This affects work patterns and commuting plans and how to engage individuals for work.



Source: U.S. Census Bureau, On the Map Application and LEHD Origin-Destination Employment Statistics, 2017

Transportation will continue to be a barrier and a challenge to job seekers being successfully employed in long-term employment. The Southwest Planning Region workforce boards will continue to explore transportation options to assist job seekers in meeting their education, training and employment needs.

Regarding coordinating supportive services, often times the key to successful work outcomes is the delivery of supportive services consistently across the region. This may include child care, transportation, and other services necessary to meet the job seekers' needs in support of successful work experience. While supportive services are based upon local policies, the Southwest Planning Region LWDB's will continue to review supportive services as needed based on common needs of employers and job seekers.

1.8. *(Planning Regions Only) Describe how the region established administrative cost arrangements, including the pooling of funds for administrative costs, as appropriate, for the region.*

As the need for regional research and support grows, the Southwest Planning Region LWDBs are considering an agreement with TRWDB as the hub for research and data. As this discussion evolves, a more detailed statement of work, billing format and allocation of resources will be determined. In this example, TRWDB would be the fiscal agent for this project. Final determination on the fiscal agent for additional projects will be determined on a case-by-case basis.

We will explore opportunities to define and establish administrative cost arrangements regionally in the next year. We have established several partnerships that have and continue to explore opportunities to share costs on region-wide initiatives through the Veterans' Value Initiative (VVI), the USDOL POWER grant, and the SW Regional Energy Sector Strategic Partnership Project Grant. These programs serve individuals in need of employment and training services and are implemented with an eye toward creating impact at a regional level and sharing administrative costs where possible. The Southwest Planning Region will continue to pursue diverse funding streams and explore innovations in cost-sharing with both formula and competitive funding where appropriate.

1.9. *(Planning Regions Only) Describe the agreement between the local boards that describes how the planning region will collectively negotiate and reach agreement with the Department on local levels of performance for, and report on, the performance accountability measures described in section 116(c), for each of the local areas within the planning region.*

Each local area will negotiate individually with the Commonwealth.

The negotiated levels of performance for the Southwest Planning Region have many implications for individuals and employers accessing workforce development services. The region is committed to assisting all of its job seekers to find success in their careers while driving the workforce development system to meet performance outcomes. Each local board in the region have negotiated performance measures with the Department for PY 2018-2019 for its local area. Moving forward, we will identify a process for the collective negotiation of regional measures for performance. Each local board will report on negotiation of performance measures and subsequent performance to the other locals. Local boards will discuss any concerns which may arise in regard to the local levels and we will provide supports to each other when needed.