

EDA Good Jobs Challenge (EDA-HDQ-ARPGJ-2021-2006964)

A. PROJECT NARRATIVE

Title: Opportunity Now! Mid-South Accelerated Skills Training

Section 1a: Project Description and Overview

Opportunity Now! (ON!) is a regional strategy, led by the Mid-South Center for Occupational Innovation (MCOI), designed to create economic mobility for adult and youth learners in the mid-south. Through ON!, MCOI will establish three one-stop Accelerated Skills Training (AST) Centers serving East Arkansas, North Mississippi, and West Tennessee.

ON! AST Centers will deliver rapid credentialing opportunities through programs of the same quality as traditional education models, but in less time – four to 24 weeks. Three sectoral partnerships, each led by a backbone organization representing the area's high-growth advanced manufacturing, logistics technology, and construction sectors have been created, formalizing alignment across regional boundaries and state lines and creating the optimal ecosystem for job seekers and employers.

Through sectoral partnerships, stakeholders are coming together to create efficient, effective, stackable, and portable credentialing programs designed to address the unique needs of participants, meet the employer's skills needs, fill anticipated vacancies for high-paying jobs, and combat the region's economic stagnation, creating greater economic mobility and growth.

Sectoral partnerships allow us to unify efforts and leverage resources to attain the most impactful outcomes, which will permanently change the economic future for thousands across the mid-south.

Through the collective ON! strategy, we will train over 1,860 students during the implementation phase, growing to serve 10,000 students over ten years, with an anticipated economic impact of \$2.51 billion. Enrolled learners, specifically high-barrier individuals, will have at least an 85% completion rate with an employment rate higher than 90% within 90 days of completion.

1b: System Lead Entity and Backbone Organizations

System Lead Entity: Organized as a 501(c)3 branch under Workforce Mid-South, Inc., (WMS), the Mid-South Center for Occupational Innovation (MCOI) will serve as the System Lead Entity.

As the fiscal and administrative entity for the Greater Memphis Local Workforce Development Area, WMS believes individuals and communities prosper when residents have access to gainful employment and businesses have access to a skilled workforce.

Through programs, partnerships with providers across the region, and the oversight of the American Job Center (AJC) network, WMS ensures job seekers have access to opportunities and the skills employers need. While WMS continues in the ever-present role as a regional advocate and connector for workforce development, MCOI will stay laser-focused on the ON! initiative.

The creation of MCOI creates a neutral "space" for partners across Tennessee, Arkansas, and Mississippi to have active voice and alignment to focus on supporting data-driven key industry sectors and create a shared ecosystem. MCOI and its partners will develop and implement comprehensive regional strategies to meet the workforce's education and job

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training needs now and in the future. MCOI will provide direction and leadership to the mid-south region by closing the skills gap between employer needs and workers' skill sets.

The MCOI Advisory Board will be composed of stakeholders, business representatives, training partners, and leaders from across the geographic footprint. Each industry sector will, in turn, organize a Sector Council led by the Backbone Entity of that sector and comprise members from sector business leaders, education, government, non-profits, and workforce system partners to ensure alignment.

Section 2a: Employer Leadership and Commitments

Secured Employer Commitments: 295 employers have signed commitments signifying their intent to support the *ON!* initiative via commitments to hire, curriculum design support, and in-kind donations.

Employers represent household names like Ford, Stanley Black & Decker, Smith and Nephew, FedEx, Turner Construction, and community strong local companies like Rose Construction, Atlantic Track, and the Memphis Medical Device Council.

To date, 79 employers have committed to hire 2,360 of MCOI's first graduates. Another 216 committed partners have not determined hiring numbers. Support is wide and deep, with new commitments arriving daily. Letters of support from the advanced manufacturing, construction, and logistics technology sectors are included in the attachments.

Anticipated Employer Commitments: Additional commitments are expected to be secured in Phase 1 and 2 as more concrete programmatic designs are developed and delivered. As a special note, Ford Motor Company announced the creation of "Blue Oval City, a \$5.9 billion investment, which will focus on electric vehicle manufacturing. In addition to the 5,800 direct employees Ford plans to hire by 2025, Tennessee Department of Economic and Community Development estimates the project will generate more than 27,000 new jobs, both directly and indirectly, to support site operations. Ford will formalize an exact hiring commitment during Phase 2. The degree of employer interest and commitment to be involved in the overall creation of the system and individual programs assures us the commitment to hires will be significant.

Identification of Additional Stakeholders: MCOI and partners will leverage the shared strength of existing relationships, local workforce boards, and community organizations to identify additional and future partners throughout the mid-south. Media coverage will be leveraged to reach our participant audience and a broad business audience. Local labor unions, Associated Builders and Contractors, and other regional employer associations are at the table, ready to engage. Throughout the mid-south, our chambers of commerce serve as advocates and will deploy their thousands of member organizations to help meet program goals.

Employer Involvement – Program Creation: MCOI's goal is to build programs for industry, designed by industry, while including potential participants' perspectives and unique needs.

WMS and the Council for Adult and Experiential Learning (CAEL) facilitated a series of town hall meetings with key stakeholders to capture needs and experiences of large and

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small employers. WMS also conducted a series of "Business Information Sessions" in August to introduce the Good Jobs Opportunity and source ideas for regional needs. Meeting invitations were sent to business users of Jobs4TN (Tennessee's virtual one-stop database), chamber of commerce members, and via social media. As a result, committees and task forces formed to solve the hiring crisis, which led to MCOI taking the lead to synthesize a workable solution.

A group of high-level Memphis executives visited Valencia State College in Orlando twice to tour a successful rapid skills approach program. The first visit helped solidify the accelerated skills model as the desired approach, and the second visit helped the group gain a deeper understanding of operational dynamics.

Throughout the proposal process, business leaders have shaped the vision. MCOI identified 13 high-demand, accelerated skills training programs based on direct business feedback. MCOI continues to host bi-weekly Zoom meetings with employer partners to discuss continued engagement, proposal development, and next steps.

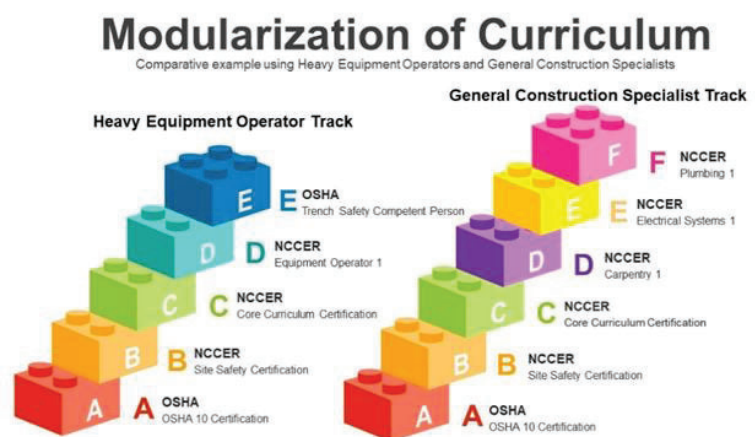
In Phase 1, CAEL will conduct a similar series of discussions across the mid-south to ensure employers' needs are adequately captured. In addition, MCOI will utilize EMSI's Skillscape to produce a comprehensive Skills Gap Analysis and a regional dashboard to reflect the real-time metrics of our local workforce system. Program adjustments may be made based on this feedback, discussion, and data.

Sectoral Councils will be established during Phase 1 and begin to meet regularly. Sectoral Councils will have a majority business membership. Education, trade association, and ecosystem support partners will also participate to ensure voices are shared, opportunities are leveraged, and provide feedback and guidance. During this phase, the MCOI Advisory Board will also begin meeting bi-monthly, at a minimum, to engage employers, ensure big-picture alignment, and monitor progress.

During Phase 2, Employer Partners will serve on a Curriculum Design Committee. This committee will lead educational providers and employers in a process to discuss and define shared expected skill standards for each offered program in their industry sector. Employer Partners will also identify needed skills for each program track while educators align these needs to an available industry credential or certification.

These discussions will lead to the design of individual, modularized learning "blocks" (defined skill + certification/credential = block) that can be combined to create a program "stack" (combined series of blocks = stack) that is efficient, manageable, deliverable, and universally accepted across employers for each career program.

ON!'s higher education partners have agreed to embrace a new model and will convert



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these rapid non-degree program stacks to recognized Prior Learning Credits that can be counted toward subsequent associate's or bachelor's degrees. Unlike other regional opportunities, *ON!* will provide a supported on-ramp for learners otherwise traditionally unserved, guiding them on a lifetime trajectory of upward skill building.

As a demonstration of this level of collaboration, labor union partners, Associated Builders and Contractors, and Home Builders Institute will align their existing construction sector curricula to limit duplication arising from each union and trade association utilizing its own curriculum and streamline the educational process for participants. Area labor unions have begun creating a shared, cross-discipline registered pre-apprenticeship to act as a pipeline for those interested in trade careers.

Employer Participation – Implementation, Evaluation, Refinement & Improvement: Employer-led Sector Councils will meet monthly during the Implementation Phase. Backbone entities will collect program performance and expenditures data and will report to Sector Councils for review and discussion. Each meeting will be used to evaluate progress, address challenges, and discuss opportunities for improvement. As completers connect to employer vacancies, companies will be given opportunities to provide direct feedback about the quality of the training experienced through candidates. If learners are systematically not meeting company expectations, businesses can help identify weaknesses, and we will work together to adjust the curriculum as necessary.

Effectiveness will be measured quarterly through employer satisfaction surveys and industry-wide engagement levels. Increasing the number of companies engaging along the process equates to a more significant industry impact. Several program tracks offer the use of virtual learning evaluators through simulation. Data about student performance rates will be made available to employers to measure student effectiveness objectively. Monthly program updates will be visible to the employer community and the public through an easily accessible online dashboard.

Participant Recruitment Strategy: During Phase 2, MCOI will develop a comprehensive participant recruitment plan. Each sector will develop course participation "requirements" for each program track and define specific recruitment strategies unique to businesses within that sector. Each sector will be staffed with a full-time coordinator who will work with the MCOI Advisory Board, Backbone Entities, and Sectoral Councils to marshal the collective effort of its industry sector to formulate a formal recruitment strategy. Each AST Center will also have dedicated staff recruiters to work daily within the most targeted communities. Additionally, each employer partner has committed to individual communication through a provided toolkit, social media, and other traditional channels.

Considering the high profile of our partners, utilization of internal public relations will be a helpful recruitment asset. Members of the MCOI Advisory Board will also leverage their extensive networks to promote AST Center recruitment and programmatic awareness.



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In addition to recruitment efforts led by MCOI and core partners, we will leverage community stakeholders to advertise and promote these programs to the populations we serve. Regional workforce boards throughout the program areas also will engage with MCOI to reach job seekers.

Worker Perspectives Inclusion: Worker's perspectives are highly valued in ON! program creation. To help ensure we are creating programs that are responsive to the adult learners we desire to serve, MCOI will partner with and involve key community organizations and trade unions who represent these groups, including but not limited to the organizations detailed in Section 2b. Additionally, program efficacy will be evaluated by the Center for Community Research and Evaluation to ensure the program is moving participants out of poverty and providing solutions to the regional talent pipeline crisis as designed.

2b: Other Stakeholders and Partnerships

Backbone Organizations: Backbone Organizations will be responsible for the organization of their respective industry sector and associated Sector Council.

Sectoral Partnerships:

BACKBONE ORGANIZATIONS

Our Backbone Organizations are deeply connected to each Industry Sector and will convene partners, organize efforts and lead assigned Sector Councils.



**Advanced Manufacturing
Greater Memphis Chamber**

A trusted partner for some of the largest companies in America, the Greater Memphis Chamber is deeply embedded in the economics of the mid-south and regularly convenes and aligns stakeholders from across the mid-south.



**Logistics Technology
University of Memphis**

As one of Tennessee's largest employers, UofM, directly and indirectly, impacts the lives of thousands of each day. Anchored by a deep collaborative history with FedEx, the University of Memphis is eager to think creatively about leveraging its sizable impact in the mid-south and institutional reputation to create a unique ecosystem of collaboration.




**Construction
Moore Tech**

One of America's oldest independent non-profit technical schools, Moore Tech focuses on teaching students the necessary skills to earn long-lasting, stable, and growth-oriented career positions. Moore Tech has completed large-scale grant-funded programs, each building new career pathways that support industry and improving facilities.

Training Partners: *University of Memphis, Moore Tech (additional in Phase 1-2)*
Deliver curriculum non-traditionally and work with other educational institutions to convert non-degree credentials into "prior learning credits," allowing them to count towards future degrees, creating a manageable pathway for learners to continue along the upskilling trajectory.

Workforce Boards: *Greater Memphis LWDB, Northwest TN, Southwest TN, Workforce Board of Eastern AR*
Leverage WIOA funding for tuition and support and provide American Job Center Services in each AST Center. LWDBs will refer customers. Connect employer customers to Sector Councils, provide LMI

National Experts: *Council for Adult & Experiential Learning, Results for America/Opportunity Accelerator*
Leverage existing relationships with national organizations to ensure best practices, systems alignment, expert guidance, and outside resources. Independent program efficacy evaluation.



Community Partners: *Seeding Success, Neighborhood Christian Centers, MIFA, United Way, MATA, Labor Unions*
Provide support to help us identify, recruit, and market program offerings to their clients, offer extensive wrap-around services, leverage external funding, inform customer experience, provide expertise in community organizing, poverty reduction & barrier mitigations. Our Labor Unions will speak to worker voice, sector experience, training quality as well as leverage external funding for tuition and resources.

Government Partners: *City of Memphis, Shelby, Fayette, Lauderdale and Tipton Counties, Memphis Area Association of Governments (MAAG), Northwest TN Development District, Southwest TN Development District*
Utilization of public platform, policy advocacy, client recruitment, in-kind donations and infusion of external funding.

Education Partners: *University of Mississippi, LeMoyne-Owen, Lane College*
Provide thought-partnership and expertise in system and program design.

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In addition to sector employers, each Backbone Organization will convene a group of sector employers, education training partners, workforce boards, national experts, community partners, and government partners, collectively known as a sectoral partnership. See organizational chart on the next page.

Section 3: Regional Description

Project Location and Primary Service Area: MCOI's three training centers will be located in our primary service area which is a 36-county area, home to an estimated 2.4 million residents, spanning Eastern Arkansas, Northwest Mississippi, and West Tennessee. This area is home to the headquarters of some of the world's best-known brands and Fortune 500 companies and, in stark contrast, some of the highest-poverty counties in the nation (e.g., St. Francis and Lee Counties, Arkansas, Coahoma, Mississippi, and Lake and Lauderdale Counties, Tennessee).

Key Industries: Logistics technology and construction are the top two growing industries in the area. Manufacturing ranks as the number one industry contributing to the gross regional product (GRP) in the mid-south. The logistics technology and construction sectors are also in the top 10 contributors.

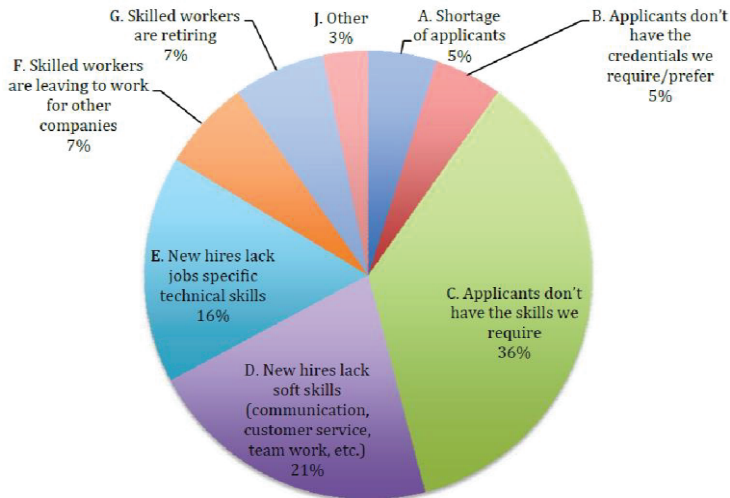
Advanced Manufacturing: More than 719 advanced manufacturing companies employ over 43,500 people across the region. Advanced manufacturing has a \$13.8 billion economic impact in West Tennessee alone and employs 13.04% of the workforce. Ford's Blue Oval City, the name given to their planned Memphis mega-campus, is expected to add an additional \$1.08 billion annually.

Construction: In a February 2020 Costar publication, Greater Memphis was on track to expand its industrial footprint at the fastest pace in the nation, with more than three million square feet delivered in 2020 and 11.9 million square feet of industrial space underway. This estimate has grown significantly with the announcement of Blue Oval City. The construction industry contributes an annual 3.4 billion in GRP to West Tennessee. From 2015 to 2020, construction jobs grew by 10%, and continued growth is expected.

Logistics Technology: The mid-south has the highest percentage of logistics workers in the U.S. Memphis provides the most cost-effective distribution and logistics services in the nation. The FedEx World Hub in Memphis is the centerpiece of the global distribution and delivery operations. Dubbed the "Distribution Capital of the Country," Memphis alone employs over 107,000 logistics workers, representing 6.6% of the workforce. The need for logistics workers, particularly those with automation skills, is expected to grow by a minimum of 5% by 2023. In West Tennessee, the logistics industry contributes over \$7.4 billion in GRP.

Most Significant or Difficult-to-Meet Skills: The last formal, comprehensive workforce assessment for the mid-south was conducted in 2016. At that time, 238 employers were asked to identify their biggest challenges. The top three specific challenges were a lack of job-specific skills (26%), a lack of soft skills (21%), and a lack of specific technical skills

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(16%), shown left.

Specifically identified technical skills included the need for operators and technicians in logistics technologies (e.g., auto and truck maintenance and CDL), and advanced manufacturing and construction (e.g., blueprint reading, design, equipment maintenance and operation, and electrical and hydraulics). Noted soft skills included basic computer knowledge, literacy and math, problem solving, and typing.

CEDS Alignment: Our priorities and goals align with the Comprehensive Economic Development Strategy (CEDS) plans represented in our service region. As an example, *ON!* will address five of the top six priorities of the Northwest TN CEDS:

- Stagnant Population: Promote Quality of Life and Livability that Spurs Population Growth
- Education Level: Enhance Secondary, Postsecondary, and Vocational Education Programs
- Per Capita Income: Attract Higher Paying Jobs using Workforce Development Initiatives
- Skilled Workforce: Increase Availability of Professional and Skilled Workforce
- Industry Diversification: Support the Needs of Current, New, and Emerging Businesses

The goals of each CEDS plan will help define and develop the industries where our region has both a competitive advantage and a gap in marketing, recruitment, and labor force development. They will assist in identifying and implementing new opportunities for coordination and collaboration in economic development across the region.

Section 4: Impacts of the Regional Workforce Training System

4a: Component Identification

ON! will address all three grant components: System Development, Program Design, and Program Implementation.

Capitalizing on Regional Opportunities & Addressing Structural Challenges

Example Regional Opportunities

- Ford and SK Innovation has announced the creation of Blue Oval City, a \$5.9 billion investment to build a 4,100-acre Ford mega-campus in Memphis, TN. In addition to the 5,800 direct employees Ford and SK Innovation plan to hire by 2025 noted above, the Tennessee Department of Economic Development estimates the generation of more than 27,000 new jobs, directly and indirectly, to support the site's operations, resulting in more than \$1.02 billion in annual earnings and contributing \$3.5 billion each year to Tennessee's gross state product. This project is also expected to add

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more than 32,000 jobs to support the construction period, with around \$1.87 billion in salaries related to construction activity. Many of these positions will be in the advanced manufacturing, construction, and/or logistics technology sectors.

- In January, United States Steel Corporation announced Osceola, Arkansas, a city within the East Arkansas Development District, as the location of a new technologically advanced steel mill. This \$3 billion investment is expected to create 900 advanced manufacturing jobs with an average annual pay of over \$100,000.
- The medical device industry has been long identified as an emerging industry in the mid-south. Logistics capabilities and a strong health industry cluster, such as St. Jude's Children's Research Hospital, University of Tennessee (UT) -Baptist Research Park, and the UT's Health Sciences Center, as well as Zeroto510, a medical device accelerator, have made the region a natural location for a wide range of medical device companies. Over 50 life sciences companies employ over 11,400 in the Memphis area and have a \$1.9 billion presence. The Greater Memphis Medical Device Council, comprised of 56 members, has identified a need for more than 450 positions over the next two years. The bulk of these anticipated positions are highly compensated CNC machinists and programmers.

Structural Challenges

Lack of collaboration and alignment: The need for collaboration among entities has been noted for decades in CEDS, local and regional workforce plans, and by outside evaluators, such as Blue Meridian. Creating a unified regional system is critical to the mission of economic prosperity for all in the mid-south.

The *ON!* initiative will catalyze regional engagement, aligning economic development/planning districts, the formal Workforce Innovation and Opportunity Act (WIOA) system, prominent public universities, regional chambers of commerce, powerful non-profit entities in the region, and, most importantly, our business leaders. Banding together, the collective partnerships can step back and evaluate the system from above, rearrange the pieces for alignment, and create an ecosystem that makes sense for both job seekers and employers.

Limited Access and Occupational Segregation: Across Memphis, whose population is 65% people of color, individuals are more likely to make a living wage if they are white. Urban areas tend to have higher concentrations of well-educated workers, but national comparative studies place Memphis in the bottom echelon of cities in workforce education level. One analysis rates Memphis as the ninth-least educated large city in the nation. Addressing racial disparity in access can also solve the related workforce problems of limited talent pipelines, underemployment, and persistent poverty. This trend holds true in the larger geographical footprint as well.

Rise of Automation/Digital Connectivity: There was a rise in online shopping and telework due to the pandemic, which exposed supply chain shortages. Memphis is the busiest cargo airport globally and the distribution capital of the country. The logistics industry will continue to boom as the world advances.

However, the workforce powering that engine must advance with the industry. Logistics companies require technological expertise and other advanced skill sets. Operations will eventually require more workers who can create or manage automated processes. Even

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traditional logistics occupations will require new skills because of sensing systems, such as smart glasses and other wearable devices, used in warehousing operations for tracking fleet. We must capitalize on the opportunity to efficiently upskill these workers to keep America moving and the supply chain flowing.

Current Workforce Training System & Addressing Local Employer Needs: In our largest service area of West Tennessee, the workforce training system has primarily relied on traditional post-secondary education models. However, despite Tennessee's ambitious post-secondary completion plan, four years after the launch of the Tennessee Promise Scholarship, which allows students to attend community college tuition-free, the college-going rate of Tennesseans has declined from 64.4% to 61.8%, and fewer of the program's participants remain on track to graduate compared to those in 2015. According to the most recent data, less than 35% of the area workforce has achieved post-secondary educational achievement, whether a college degree or trade school certificate.

Traditional completion models can pose conflicts for low-income adults and Opportunity Youth who cannot pause their lives for a year or more to gain needed skills. While middle-class students may have challenges paying for college, their economically disadvantaged peers are more likely to face food and housing insecurity, as well as struggle with tuition costs. Studies show that along with too many hours working at jobs, low course loads also cost students their momentum, making them less likely to graduate.

Though seemingly counterintuitive, studies show that the longer a degree takes, the greater the possibility for financial or family obstacles to get in the way. Fewer than a quarter of part-time students receive any type of credential within eight years.

Among first-time community college students, those who attend part-time are half as likely to complete a credential within eight years as those who attend full-time. Fifty-nine percent of low-income students who work 15 hours or more, who have less time to study and complete assignments, have a C-average or lower.

While conventional education institutions sometimes offer shorter-term training, such programs typically follow academic semesters that begin in the fall or spring and meet for a few hours over months or years. In accelerated models, such as those offered by *ON!*, non-degree programs are not tied to semesters or academic calendars yet still offer the same number of hours, allowing adult learners to pursue on-ramps to good-paying jobs in a shorter amount of time.

Factors Contributing to the Region's Workforce Training Strengths and Challenges:

Strengths: The region features many important partners, all who are *ON!* supporters, that have demonstrated success in federally funded programs, which have formed the backbone of the existing workforce network in the region. Along with our continued strong WIOA presence and activities, educators in the city have successfully completed two rounds of the DOL's Trade Adjustment Assistance Community College and Career and America's Promise workforce program. Tennessee is a pioneer in community college and technical school funding through its TN Promise program. University of Memphis recently attained R1 status

Challenges: The mid-south is known for low wage rates. Many jobs in our area are part-time and temporary jobs, usually filled by young, low-income workers, leading to high

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turnover and low-earning households, which leads to lower tax bases and less available funding for area education.

As a result, Memphis, the anchor of the mid-south region, has a struggling school district where only 34% of third-grade students read on grade level. Graduation rates fluctuate across the region, but post-secondary attainment is consistently low, with only 32.9% of area residents possessing a high school diploma. In the Memphis area alone, there are an estimated 35,000-40,000 Opportunity Youth, young people between the ages of 16 to 24 years old who are disconnected from school and work. This is one of the highest concentrations in the nation.

The Good Jobs program will bring together this region's strengths and help residents find pathways to long-lasting, growth-oriented jobs, despite the area's challenges.

4b: EDA Alignment

The pandemic sped up the nation's reliance on automation and exposed weaknesses in our supply chain. The pandemic also caused many construction projects to be delayed or canceled, increasing costs and leaving significant workforce gaps.

MCOI's plan to upskill those most vulnerable to lay-offs and shifts in the market increases not only individual resilience to withstand the unexpected, but also helps the companies we rely on to maintain operations.

In addition to *ON!*'s alignment to the EDA's Recovery and Resilience investment priority, *ON!* also aligns with four additional EDA top priorities:

1. **Equity:** The counties served by this initiative encompass two populations dramatically underserved by traditional workforce systems: minority and rural populations. Memphis remains one of America's most segregated cities and is the second poorest metropolitan area in the United States. Outside of the suburbs of Memphis and beyond state borders, the population shifts to rural communities. These communities have their own equity challenges. Primarily left out of the conversation, funding, and planning, our rural communities have been historically disconnected from structured support systems. *ON!*'s accelerated training model and focus on wrap-around support to ensure completion and job placement in higher-wage careers are structured to create a more inclusive economy. They provide more equitable access to higher wages and economic mobility for urban and rural spaces, persons of color, and low-income workers.
2. **Workforce Development:** *ON!* AST Centers will create expedited pathways to good jobs for some of the nation's most vulnerable populations.
3. **Manufacturing:** MCOI is designed to create synergy around the area's significant advanced manufacturing sector, elevate collective voice, and secure economic viability through a dependable pipeline. Investment into training access for most of our workforce is critical to the area's advanced manufacturing success.
4. **Technology-Based Economic Development:** Memphis is a growing hotspot for Black tech talent, and area advanced manufacturing and logistics technology sectors are automating functions quickly. MCOI will foster technology education and training in each training program to retain strength in these sectors.

4c: Description of Jobs Available to Workers Upon Training Completion

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As summarized in the Projected Job, Wage and Benefits chart provided, the *ON!* initiative will provide strong wages and benefits to participants. These projections were collected via employer survey and data from the Center for Economic Competitiveness. These positions are considered to be strong candidates for

MCOI AST Centers: Projected Job, Wage, and Benefits				
Occupation	# of Jobs Annually*	Median Wage**	Benefits Provided?*	Union Membership Provided?*
Advanced Manufacturing				
CNC Operator	250+	\$41,200.00	Yes	No
CNC Programmer	200	\$50,230.00	Yes	No
Certified EV Tech	450+	\$46,070.00	Yes	No
Logistics				
Software Developer	85	\$84,210.00	Yes	No
Mechatronics	110	\$58,220.00	Yes	No
PLC Technician	70+	\$67,280.00	Yes	No
Commercial Driver	1,700+	\$46,510.00	Yes	No
Robotics Automation Technician	175+	\$67,280.00	Yes	No
Distribution Operations Technician	190	\$44,796.00	Yes	No
Construction				
Heavy Equipment Operator	145+	\$44,480.00	Yes	No
General Construction Specialist	400+	\$33,290.00	Yes	No
Welding	200+	\$49,660.00	Yes	Yes
*Source: Employer Survey				
**Source: onetonline.org				

wage growth, as employers in this region highly seek these skills. Training provided by *ON!* will further support wage growth. For example, the BLS reports a "statistically significant difference" between certified and noncertified workers. In total, those who hold professional certification earn 35.2% more than those without certification.

Leverage of Available Resources: The MCOI service area is historically overleveraged, underserved, and under-resourced. Because of this, influxes of funding without match requirements are essential to our region. Despite this, we plan to leverage existing resources, such as Workforce Mid-South's unrestricted funding, to convene partners initially to support the creation of the MCOI. Through Blue Meridian, Seeding Success has contributed \$8.5 million worth of community-led regional poverty and equity research. FedEx has agreed to provide an in-kind donation of trucks (valued at roughly \$100,000 each) and the Medical Device Council will donate equipment up to \$1 million.

4d: Researched Based and Backed Program

ON! is an industry-driven, outcomes-focused approach. It positions access as the nexus of progress, designing and implementing solutions tailored to our community. Leaders come together across sectors to identify shared goals and hold themselves accountable for impact. These partnerships attend to pressing needs while building on individual and community assets to create more inclusive and equitable career opportunity pathways.

As noted, the *ON!* AST Centers are modeled after Valencia College's Accelerated Skill's Program, which offers 17 programs, many of which are similar to those proposed by *ON!*, serving over 800 students each year. Ninety-five percent of enrollees complete their program, with 81% finding placement in a job utilizing their skills training following graduation.

MCOI has enhanced Valencia's approach by establishing a partnership with several education institutions to provide training to ensure the curriculum is prioritized over the institution. And most significantly, the non-degree credentials earned through the AST Centers will be eligible for "prior learning credit" at our participating educational institutions for continuing study toward associate and bachelor level degrees. In addition to the enhanced curriculum, MCOI has also established partnerships with community-based organizations and companies to provide wrap-around support described below. These enhancements ensure that our students' needs are prioritized, potential barriers to completion are eliminated, and industry needs are met.

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4e: Target Participant Demographics

Our programs target a 36 county service area of the poorest citizens in the recognized mid-south, which has a total population of 2.4 million people. Demonstrated below are demographics of the Memphis-Forrest Combined Statistical Area.

Demographics: 54.1% are white, 40.06% are African American, 5.06% are Hispanic, and 1.79% are Asian. Memphis is the largest city in the Deep South and 3rd largest in the Southeast. The mid-south has the highest percentage of African Americans of any large metro over one million people.

Median Household Income: \$35,191 to \$61,291. 51.08% of households in the study area had an annual income of less than \$50,000. Nationally: \$44,850 - \$72,917. It is estimated that 65% of program participants are WIOA eligible.

Poverty Levels: Several rural counties in our service area are economically distressed, including Lake County, TN, one of the poorest counties in the nation at 28.7% poverty, which is double the national average. Our urban areas also represent some of the highest poverty areas of the nation. As only one example, 45% of all children in Memphis live in poverty – one of the highest percentages in the nation.

Educational Attainment: 32.9% of residents have only a high school diploma, 6.5% hold associate’s degrees, and 15.7% hold bachelor’s degrees. An additional 4% of residents did not attend school past ninth grade. In Memphis, 1% of Opportunity Youth, of whom 78% are African-American, will obtain an associate’s degree by the time they are 28.

Unemployment: Unemployment rate of AR-MS-TN metro was 3.9% as of Nov. 2021. 54.53% are female, 60.18% are Black or African American.

Rationale for how participants are targeted: To support a growing and evolving business landscape, we will need to upskill and reskill our workforce. High-school education alone is no longer sufficient to open access to the quality jobs of tomorrow.

AST Annual Enrollment	
Year 1	750
Year 2	862
Year 3	991

BENCHMARK	IMPLEMENTATION	10 YEAR GOAL
Enrollments over 2.3 years	1,860	11,765
Enrollment meeting low-income definition	1,097	7,059
Enrollment of Opportunity Youth	600	3,530
85% ATC program completion rate	1,554	10,000
90% employment for ATC completers within 90 days	1,399	9,000
Distinct individuals receiving at least one credential (93%)	1,682	10,941
Distinct individuals completing an ASP	1,554	10,000
Placements	1,682	10,500
# of individuals completing an ASP and entering employment in field 90 days	1,399	9,000
# of individuals moving from \$0-\$14.99 to \$15+ (\$16,120 annual gain/per)	340 (\$5,480,800 wage gain)	2,000 (\$32,240,000 wage gain)
# of individuals moving to \$18+ (\$22,360 annual gain per)	850 (\$19,006,000 wage gain)	5,000 (\$111,800,000 wage gain)
# of individuals moving to \$21+ (\$28,600 annual gain per)	510 (\$14,586,000 wage gain)	3000 (\$85,800,000 wage gain)
# of employers engaged through sector councils	100	150
# of distinct employers directly hiring ASP completers	150	200

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Organizational Impact: Higher wages reduce social program expenditures. In Tennessee alone, this would result in an annual savings of \$11,962,000 per individual utilizing the three programs listed (right).

	Income Max	Average Benefits/ StateExpense
SNAP (Food Stamps)	\$16,752	\$2,112 /person
TennCare	\$17,131	\$250 /person
Housing Vouchers	\$32,982	\$9,600 /person

Employer Impact: A National Association of Business Economics study noted that half of all surveyed companies were experiencing some sort of skills gap that significantly affected their businesses. This shortage impacts all aspects of their businesses, as they must cut back their production and cannot meet the needs of their customers.

Community Impact: The economic impact consumer spending multiplier from Moody's Analytics estimates that \$1.20 is contributed back to the economy for every additional dollar earned. Applying this multiplier by 1,000, we estimate this project's direct net economic impact at \$2.51 billion over the next ten years. In addition, according to the Economic Policy Institute, a \$115,000 increase in Gross Domestic Product equates to one full-time equivalent job to support economic growth. New jobs create new consumers, thus having an exponential effect on GDP growth.

Raise wage to:	1 person	1,000 people	10,000 people	Net Job Creation
\$15/hour	\$19,344	\$19.34 million	\$1.06 billion	9,240 New Jobs
\$18/hour	\$26,832	\$26.83 million	\$1.45 billion	12,582 New Jobs
\$21/hour	\$34,320	\$34.32 million	\$1.85 billion	16,092 New Jobs

Data was collected, aggregated, and averaged from the following sources: The Bureau of Labor Statistics, The Economic Policy Institute, the Department of Housing and Human Services (both the State of Tennessee and the United States), EMSI Burning Glass Economic Modeling, the Memphis Housing Authority, the Urban Child Institute, and the St. Louis Federal Reserve.

Section 5: Funding Request and Program Design and Implementation

5a. Estimated Funding Request (detail in budget justification)

Phase	Funding Request
<i>Phase 1 – System Design</i>	\$363,230
<i>Phase 2 – Program Design</i>	\$4,934,475
<i>Phase 3 – Program Implementation</i>	\$19,227,136
Total Funding Request	\$24,524,841

5b. Anticipated System Development, Program Design, and Program Implementation projects.

System Development:

- Hire Project Director to manage all aspects of the program, particularly in coalition building and tracking of metrics as noted in the NOFO.
- Hold round tables with all stakeholders (virtual and in-person).
- Establish an official Project Team of partner organizations, employer, and stakeholders who agree to a shared responsibility for creating a formalized project structure.

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- Establish a structure for governance and decision-making.
- Develop recommendations to guide Phase 1 planning processes.
- Survey potential end-users of the proposed workforce system structure.
- Produce three town hall public forums to discuss current challenges to upskilling and training opportunities available within the region.
- Hold employer meetings across the region to determine skills needed.
- Create Failure Modes Effects Analysis and Root Cause Analysis (i.e., Fishbone Diagram) of the disconnect between the accessibility of upskilling opportunities and the current labor workforce.
- Name MCOI Advisory Board and Sector Councils.
- Create Process Map and Project Milestone Chart for use in Phase 2.
- Travel to other successful AST programs to do in-depth best practices meetings.
- Identify rented space for operations of Accelerated Training Centers.
- Create a local brand for the initiative
- Hire Data/Quality and Community Outreach positions.
- Obtain written commitments from each partner for Phase 2 activities.

Program Design:

- Hire Sector Coordinators to lead process development under the direction of MCOI.
- Host curriculum calibration workgroups (employers, education, worker representation) no less than once per week for two-hour blocks, more as needed, to identify each skill needed for each program track and the occupational credential associated with that identified skill. Define/name each "block" and determine which blocks are needed in which stack.
- Develop a shared understanding of the skill and occupational description among varied employers and between employers and training providers.
- Align programs of study "stacks" to employers and sector councils who will oversee the implementation and ownership.
- Determine educational partners responsible for "stacks" at each location.
- Gain employer commitments to hire specific numbers of individuals needed to fill each career track and formalize a prediction methodology for continuously aligning recruitment and training tracks with real work opportunities.
- Secure leases on physical training spaces.
- Validate equipment needs for implementation and order equipment.
- Secure local funding to fill any anticipated gaps for equipment purchases.
- Draft marketing plan for raising awareness of the initiative region-wide and begin outreach campaign.
- Build community engagement strategy guided by equity and access.
- Secure curriculum approvals from credentialing bodies.

Program Implementation:

- Conduct media and outreach to under-served, high opportunity communities.

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- Complete final permitting checks, licenses, and approvals for each AST location.
- Begin enrollment of learners and instruction of programs.
- Sector councils meet monthly to gauge program implementation successes and challenges, recalibrating as needed.
- Quarterly stakeholder workgroup to discuss the larger project plan and implementation. Report out on engagements, enrollments, completions, and hires to continuously refine the most effective processes.
- Incorporate data collection practices (i.e., wage growth) pre- and post-training.
- Formalize sustainability model with public / private support and commitments.

5c. Barriers, Mitigation Wrap-Around Strategies, & Sustainability

ON! provides a long-term commitment to participants, who can access a suite of wrap-around services to mitigate barriers and achieve success for the remainder of their career.

- Childcare: Through TANF, we are working to train recipients of public assistance to fill the childcare shortage and provide micro loans for entrepreneurial childcare facility startups. MCOI is also exploring on-site childcare at each AST center. This support will be available to participants for up to 3 - 6 months post placement.
- Transportation Challenges: MATA will provide transportation for up to a year for participants. As this region is not well serviced by public transport, we are working with local credit unions to establish auto loan lending programs with eased eligibility for program completers.
- Job Search Navigation and Career Guidance: AJC will be housed at each training center and focus on serving job seekers and employers in that location. Ongoing career guidance is available any time re-engagement or re-assistance is needed.
- Trade Industry Perception: A substantial marketing and outreach campaign will be designed to rebrand trade jobs and educate potential participants about wages and benefits to ensure a continued pipeline of learners.
- Target Population Recruitment: As outlined above, MCOI will employ recruiters focused on each sector and leverage substantial partner networks to ensure target populations are served.
- Long-term Economic Stability: We also are exploring pathways for our participants to achieve home ownership and other markers of economic stability. MCOI will continue to work with partners to explore home ownership pathways and other markers of economic stability. Lastly, participants will have access to financial literacy and financial planning workshops, as well as ongoing career guidance.

Sustainability: MCOI is designed as a self-sustaining initiative. With funding, the program's first two years will be free for participants. After the first two years, MCOI will begin charging tuition. We estimate program costs at \$6,000 per track (based on average Valencia College rates). Each local workforce development area will add these programs to their respective State Eligible Training Provider list to ensure WIOA ITA funding can be utilized. The process will be replicated for other external funding (Title II, Title III, Title IV, TANF, SNAP, TAA, etc.). 95% of Valencia College students have zero out-of-pocket costs, which is also our goal. Employer Partners have also committed to on-going scholarship funding for future cycles.