



## OUTLINE: KY-WORCS

A solution to the rural/urban workforce imbalance  
by building locally distributed organizations

### ABSTRACT

For years Kentucky has suffered a contradictory workforce imbalance: cities near the center along the state's primary interstate highway corridors have a severe workforce shortage while rural communities in both the western and eastern coalfields have a significantly higher unemployment and labor surplus rate. This is not unique to Kentucky, with many rural and urban communities experiencing this nationwide. Accelerate Kentucky and the Metals Innovation Initiative (MI2) are partnering with metals and advanced manufacturing companies, workforce and educational institutions, community based organizations, local leaders and residents to develop and test a new economic development strategy known as the Kentucky Workforce Optimization & Redistribution Comprehensive Strategy (WORCS). This Outline includes templates communities can use to develop their own WORCS plan, with a goal to refine the KY-WORCS program into a replicable template any industry could implement alongside any community.

### Authors

Sam Ford, Rusty Justice, and Ruthie Caldwell

# Getting Started: How To Use This Outline

## Summary

This Outline was originally created in Summer 2024 by [AccelerateKY](#) and the [Metals Innovation Initiative](#) (MI2) as part of the [Community Energy Innovation Prize](#), funded by the U.S. Department of Energy. Inspired by a 2023 White Paper from AccelerateKY, “Building Locally Distributed Organizations: A Solution to Kentucky’s Workforce Imbalance,” the goal of this project is to address workforce challenges in industry by bringing quality jobs to rural communities.

Over six months, MI2 and AccelerateKY collaborated with four pilot communities in Kentucky’s western and eastern coalfields—Muhlenberg, Ohio, Pike, and Floyd Counties. Together, they tested this model, resulting in developing plans they used to write a multi-million dollar grant application which, if funded, will support their WORCS program. Now, we’re sharing this Outline publicly so other rural communities can benefit from the WORCS approach, with the hope they can also use this Outline to develop plans to gain grants or other public or private investment to implement locally. Although it was developed for the metals manufacturing industry in Kentucky, this asset-based, community-led model can be applied to any region or industry.

The *Summary* and *What to Expect* sections on the next pages explain how the KY-WORCS program worked for MI2 and AccelerateKY. This Word document is editable, so you can modify these sections to fit your community’s story. The following steps then serve as a template and guide to help you plan your own WORCS program. We suggest starting with a Core Team of 3-7 people to begin Step 1, identifying key partners, and then expanding as needed to complete the remaining steps alongside relevant partners.

- **Step 1: Identify Key Partners**
- **Step 2: Map Local Assets, Challenges, & Opportunities**
- **Step 3: Draft Work Plan & Timeline**
- **Step 4: Plan Your Budget**

Lessons learned during this process:

- **Stay Agile:** It’s ok to pause during one of these steps and adjust if your community needs to go in a different direction than what you see laid out here. This outline is a guide, not a strict prescription; adapt it to meet your community’s needs.
- **Workforce Data:** Our Kentucky project benefited from the Kentucky Chamber Foundation’s Talent Pipeline Management (TPM) program, which provided industry-informed data. If your available workforce data lacks industry insights, consider consulting directly with local companies to confirm accuracy.

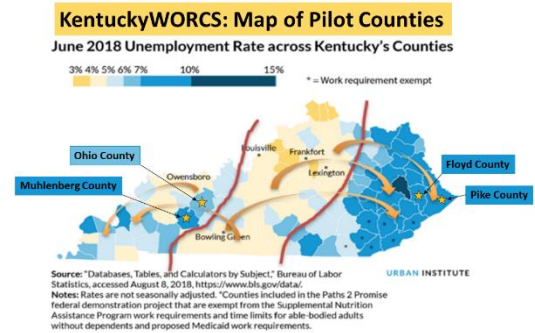
**So, if you live in a rural community and want to plan and implement a WORCS program to partner with industry and bring quality jobs to your own community, this tool is right for you.**

We hope this Outline serves as a helpful guide for your community as you plan creative strategies to bring quality jobs to your area and establish “locally distributed organizations” tailored to your community’s unique assets and strengths.

# Summary

## The Challenge

Eastern and Western Kentucky have many counties with unemployment rates double or triple the state average. The nonprofit One East Kentucky boasts their region has 10,000 workers available who are excellent problem-solvers, mechanically inclined, and are dependable with a strong work-ethic, yet, so far, economic development efforts to recruit and retain these workers from the west and east side of the state to move to central Kentucky typically fail for many reasons, including because Kentuckians have deep familial roots. Other efforts to relocate significant manufacturing operations to these isolated communities also typically fail due to the increased cost of shipping goods. We propose a new solution.



## The Solution

KY-WORCS is a model that identifies jobs that do not require constant on-site presence at production facilities which are typically located along interstate corridors. Instead, companies invest in owned, shared, or outsourced satellite facilities in places where there is available or underutilized workforce matching the knowledge, skills, and abilities required for those jobs. This is not a “work from home” solution. Instead, companies establish an official satellite presence in communities within the state, allowing the company to instill its organizational culture and build teams where leaders and employees are near enough to travel between the central facility and satellite office for team-building and important meetings.

### KY-WORCS helps communities:

- **Specialize:** develop educational programs specializing in specific career clusters, developing a comparative advantage attracting more companies needing those skillsets.
- **Retain Local People:** helps youth and unemployed workers prepare for and gain quality jobs so they can stay and thrive in their hometown instead of leaving for career opportunities.
- **Support Vulnerable Populations:** community based organizations build partnerships to develop supportive services helping vulnerable populations gain and retain quality jobs.
- **Keep Companies and Workers Happy:** creates a collaborative employer-driven, community-based workforce ecosystem so community members and businesses both win.

## Selected Industry: Metal and Advanced Manufacturing

The selected industry should have job growth in quality jobs experiencing a significant workforce shortage. While this method could be used for any industry meeting those criteria, for this project, Kentucky has chosen the metal and advanced manufacturing industry. Kentucky’s Metals Industry operates more than 250 facilities responsible for approximately 36,000 full-time jobs with benefits. Plus, with the reshoring of manufacturing jobs and the intense need to build up America’s clean energy and infrastructure workforce, Kentucky’s Metals companies joined together alongside educational and workforce partners to form the Metals Innovation Initiative (MI2), a nonprofit providing open, collaborative, pre-competitive, de-risked innovation for Kentucky’s metals and advanced manufacturing industry. *Kentucky is the right place, metal and advanced manufacturing is the right industry, and now is the right time to develop and implement KY-WORCS.*

## What to Expect

KY-WORCS plays out in two phases: (1) Development, (2) Implementation. The Development phase can be broken down into four stages:

4 Stages: KY-WORCS Development Phase		
Stage	Proposed Programs & Activities	Who?
<b>1. Assess Employer Needs</b>	AccelerateKY and MI2 will partner with the Kentucky Chamber Foundation to use the Talent Pipeline Management (TPM) method to assess the need for critical high demand jobs in the chosen industry, with a focus on identifying jobs that could be performed from satellite offices located a brief driving distance from main offices. As employers provide real-time data and projections, the group will gather and compare data on each selected job's current and estimated future demand, skill requirements, typical hours and benefits, career pathway, and wage range. A report will be created ranking positions based on future demand, job quality, and ability to be performed from a satellite office.	(1) Coordinating Partner/s, (2) Industry Partners, (3) Workforce Data Partner
<b>2. Identify Community Opportunities &amp; Assets</b>	AccelerateKY will work with local community leaders to recruit partners to form a KY-WORCS roundtable to assess and identify local workforce opportunities and assets that could correspond with employer needs, such as existing education and training providers, transferrable skills in the existing labor force, an analysis of the workforce population, existing workforce agencies and service providers who could support vulnerable populations, a map of potential sites to locate an office, and other opportunities and assets that could support the employers such as access to rail or proximity to airports.	(1) Coordinating Partner/s, (2) KY-WORCS Roundtable Partners
<b>3. Match Employer Needs &amp; Community Assets</b>	AccelerateKY will analyze data and suggest potential "matches" showing which community assets are best-suited to meet the needs of high-demand jobs from multiple employers. Then AccelerateKY will facilitate discussions between employers and community partners to select the best match.	(1) Coordinating Partner/s, (2) Industry Partners, (3) KY-WORCS Roundtable Partners
<b>4. Plan Local Office and Workforce Development Services</b>	AccelerateKY will support businesses and local community partners to coordinate plans for the development of satellite offices for the selected jobs. AccelerateKY will also support members of the KY-WORCS roundtable to identify, assess, and develop solutions to the unique workforce challenges faced by vulnerable populations in the community, as well as plan programs to develop the local workforce pipeline, helping vulnerable populations gain and retain these new jobs.	(1) Coordinating Partner/s, (2) Industry Partners, (3) KY-WORCS Roundtable Partners

The first 4 stages of the Development Phase result in a Plan the group can use to raise funding and private investment to implement. Then the group of employers and community leaders will work together to implement the plan, wherein they will develop satellite offices hiring the target population and supportive services helping them excel in their career pathways. This workbook helps employers and community leaders co-create an outline, so their plan is both industry-driven and community led simultaneously meeting the workforce needs of companies and employment needs of local people by creating local quality jobs that fill critical workforce shortages.

## Step 1: Identify Key Partners

**ACTIVITY:** First, identify organizations and individuals who should be invited to participate in developing your community's program. Think of people and organizations who will add value, such as organizations with a unique perspective or access to resources that could support the program. Fill in one or more options for each of the categories in the list below.

### 1. Core Team: Coordinating Partner/s

- 

### 2. Industry Partners (i.e., metals and advanced manufacturing companies, labor unions, etc.)

- 

### 3. Workforce Data Partner

- 

### 4. Local Community Partners (i.e., WORCS Roundtable)

A. Local Government (i.e., city and county leaders, etc.)

B. Workforce & Economic Development (i.e., career center, ADD, etc.)

C. Education & Workforce Training (i.e., local university, college, or technical school, etc.)

D. Local Businesses (i.e., Chamber of Commerce or a local business owner, etc.)

E. Community Based Organizations (i.e., community foundation, nonprofits supporting vulnerable populations, etc.)

## Step 2: Map Local Assets, Challenges & Opportunities

**ACTIVITY:** After identifying key partners, discuss how this type of program could be implemented locally. What are the local assets that could help support the program (i.e. properties for a satellite office, supportive services available, organizations who can help, etc.)? What are the challenges and how can these barriers be overcome? What are other opportunities that could support this program?

### 1. Local Assets

- 

### 2. Challenges

- 

### 3. Opportunities

-

## Step 3: Draft Work Plan & Timeline

**ACTIVITY:** Below are four tables representing each of the four stages of WORCS. These tables provide a potential guideline outlining the steps your community could take to develop your WORCS plan. Fill in the columns for expected “Activities,” as well as “Who” will be responsible for each activity, and “When” you expect each activity to start and end. This will help you visualize your project and develop a plan that can attract funding or investors to implement it.

<b>Work Plan &amp; Timeline: WORCS</b>			
<b>Stage 1: Assess Employer Needs</b>			
<b>Objectives</b>	<b>Activities</b>	<b>Who?</b>	<b>When?</b>
<b>1: Gather industry data identifying critical high demand jobs.</b>			
<b>2: Analyze data with industry representatives providing insight.</b>			
<b>3: Develop a report ranking positions based on future demand and their ability to be performed off-site.</b>			

## Work Plan & Timeline: WORCS

### Stage 2: Identify Community Opportunities & Assets

Objectives	Activities	Who?	When?
<b>1: Recruit partners to form a local WORCS roundtable team.</b>			
<b>2: Develop a list of workforce opportunities</b> (i.e., existing educational programs and providers, characteristics and transferrable skills of current labor force, service providers, resources, etc.).			
<b>3. Develop an asset map</b> (i.e., a map of available commercial and industrial real estate, industrial parks, workforce housing, childcare, assets like access to utilities, rail, air, fiber internet, and shipping facilities, etc.).			



# Work Plan & Timeline: WORCS

## Stage 3: Match Employer Needs & Community Assets

Objectives	Activities	Who?	When?
<b>1: Analyze data identifying similarities between company needs and community assets.</b>			
<b>2: Provide a report of community assets well-suited to meet employer needs.</b>			
<b>3. Facilitate discussions between companies and communities to select best match.</b>			

## Work Plan & Timeline: WORCS

### Stage 4: Plan Local Office & Workforce Development Services

Objectives	Activities	Who?	When?
<b>1: Identify site &amp; develop plans for satellite office.</b>			
<b>2: Identify, assess &amp; develop solutions to workforce challenges.</b>			
<b>3: Plan programs to develop a long-term career pipeline and support vulnerable populations.</b>			
<b>4: Gain funding and / or investments to implement and sustain the program.</b>			

## Step 4: Plan Your Budget

**ACTIVITY:** After developing your Work Plan, draft a budget outlining how much each Activity is expected to cost. The budget below is broken down into line items commonly found in a federal grant budget, or feel free to use the simpler budget template on the following page. Excel spreadsheets are also available to download, including some that allow to plan for multiple years.

SIMPLE FEDERAL BUDGET TEMPLATE	
<b>Personnel Wages</b>	
Project Coordinator	
<b>Subtotal, Personnel Wages:</b>	
<b>Fringe Benefits:</b>	
<b>TOTAL PERSONNEL WAGES+FRINGE:</b>	
<b>TRAVEL</b>	
<b>TOTAL TRAVEL:</b>	
<b>EQUIPMENT (over \$5,000)</b>	
<b>TOTAL EQUIPMENT:</b>	
<b>SUPPLIES &amp; MATERIALS</b>	
<b>TOTAL SUPPLIES AND MATERIALS:</b>	
<b>CONSULTANTS &amp; SUBAWARDS</b>	
<b>TOTAL CONSULTANTS &amp; SUBAWARDS:</b>	
<b>OTHER (rentals, insurance, fees, etc.)</b>	
<b>TOTAL OTHER:</b>	
<b>TOTAL PROJECT BUDGET</b>	



## Appendix: example data communities could collect to use for grant applications to fund a local WORCS program

Data: National, State, & Local (U.S. Census, BLS Data)						
Type	USA	Kentucky	Muhlenberg	Ohio	Floyd	Pike
Prime Age Labor Force Participation Rate, 2021	82%	78%	69%	76%	<u>61%</u>	62%
Prime Age Employment Difference, 2021 (USA vs. other)	NA	-4%	-13%	-6%	<u>-21%</u>	-20%
July 2023, Unemployment Rates	3.8%	4.6%	<u>6.4%</u>	5.3%	6.1%	6.0%
Per Capita Income Rate, 2017-2021	\$37,638	\$30,634	\$28,609	\$24,620	<u>\$20,160</u>	\$22,870
Coal Jobs Lost, 1988-2023 *KYEEC, Coal Facts	NA	NA	996	305	1,638	<u>4,562</u>
Persons with a disability, under age 65, 2017-2021	8.7%	13.2%	18.7%	12.4%	19.9%	<u>23.2%</u>
Bachelor's degree or higher, % persons age 25+ years, 2017-2021	33.7%	25.7%	<u>12.0%</u>	14.6%	12.6%	15.7%
Recent Federally Declared Disasters	-	-	<u>4630-DR-KY, 2021</u>	<u>4630-DR-KY, 2021</u>	<u>4663-DR, 2022</u>	<u>4663-DR, 2022</u>
Population, Veterans, 2017-2021	17,431,290	25,0427	1,625	1,198	1,189	<u>2,471</u>
Recovery Ecosystem Index Score (1-5)	-	-	2	<u>3</u>	1	2

### Employment Barriers for Target Populations:

- **Substance Abuse:** coal's departure led to job loss and a rise in opioid misuse. The 2023 Kentucky Chamber report, *Working Towards Recovery*, states that in 2020, Kentucky had the 2nd highest Overdose Deaths rate (CDC). In 2021, 73% of these individuals were aged 25-54. The report also highlights lower workforce participation rates among adults with Substance Use Disorder (SUD), with justice involvement further reducing employment outcomes.
- **Childcare Deserts:** a 2021 Business Insider article highlights Kentucky's high "quit rate," attributing it to 66% of rural and 55% of low-income residents living in childcare deserts.
- **Low Educational Attainment:** for all four counties, the percentage of adults ages 25 and older with a bachelor's degree or higher was less than half of the national average.
- **Lack of Transferable Skills:** lack of local jobs available that utilize transferable skills of laid off coal miners and military veterans.
- **Job Quality:** the Business Insider article cites Kentucky's low minimum wage of \$7.25/hour as the second reason for its high quit rate, as people leave jobs that don't offer adequate wages or good working conditions.
- **Geographic Considerations:** Not located on main interstate highways, this poses logistical challenges for manufacturers due to increased transportation costs. Pike and Floyd, in the Appalachian mountains, are particularly expensive.