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## Joint Labor-Management Training Programs for Healthcare Worker Advancement and Retention

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# Joint Labor-Management Training Programs for Healthcare Worker Advancement and Retention

## Abstract

[Excerpt] Filling vacancies and retaining workers in shortage areas such as nursing and other allied health occupations remains a challenge in today's healthcare industry. At the same time, low-wage workers in the healthcare industry often lack the educational credentials necessary to move into higher-paying occupations. This study seeks to understand the role of multi-employer joint labor-management healthcare worker training in meeting the needs of employers for career ladder advancement in their incumbent workforce. The study focuses on hospital employers and their experience with strategies for the advancement of low-wage and entry level workers into healthcare career pathways.

## Keywords

training, healthcare workers, nursing, workforce, advancement

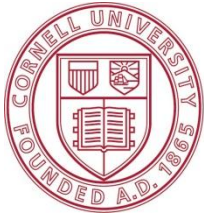
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**Cornell University**  
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## **Research Report**

# **Joint Labor-Management Training Programs for Healthcare Worker Advancement and Retention**

**Hitachi Foundation**  
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Scheinman Institute on Conflict Resolution  
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## **Report Summary**

### **Purpose of the study**

Filling vacancies and retaining workers in shortage areas such as nursing and other allied health occupations remains a challenge in today's healthcare industry. At the same time, low-wage workers in the healthcare industry often lack the educational credentials necessary to move into higher-paying occupations. This study seeks to understand the role of multi-employer joint labor-management healthcare worker training in meeting the needs of employers for career ladder advancement in their incumbent workforce. The study focuses on hospital employers and their experience with strategies for the advancement of low-wage and entry level workers into healthcare career pathways.

The joint labor-management model differs from other models of incumbent workforce training because of its reliance on the labor-management relationship as a central organizing principle for its activities. The model directly links education with employment opportunities, through a labor-management partnership. While a number of joint labor-management healthcare multi-employer training funds exist, there has been little examination of how the typical fund operates, and the perceived benefits and costs to fund stakeholders – employers, workers, their unions, and educational providers. A primary purpose of this study is to describe the multi-employer labor-management training fund model and the factors that help to make their programs successful. A second purpose of the study is to understand the criteria employers in these funds use to evaluate their participation, in order to provide recommendations for future research, including recommendations on how to standardize data collection processes in joint training programs for more in-depth research on outcomes. The report will be useful to a variety of stakeholder groups to inform program improvement and encourage replication of successful practices.

### **Methodology**

To understand the labor-management partnership model for training, we examined two multi-employer education and training fund partnerships, one in Seattle and one in New York. The New York fund was selected because of its historical importance as the first, and now largest, multi-employer initiative for health care worker training. Examining the operations and growth trajectory of the fund over 30 years provided insight into both how the multi-employer model serves the needs of a broad group of employers in a



diverse workforce environment, and the benefits of mature and stable relationships with workforce training and education entities for regional healthcare workforce development.

The Seattle training fund was selected as a representative of a new labor-management partnership and offered the opportunity to examine the motivations and expectations of employers who recently chose to enter into a multi-employer partnership as an alternative to their self-funded incumbent worker training arrangements. . By examining both programs, we were able to capture the engagement of employers at two key stages: start up and program maintenance.

In both cases, we reviewed existing documentation on program history, size, scope, structure and operations, and gathered any available studies of fund activities and outcomes. Interviews were conducted with fund administrators and principals from union and management who had insights into the bargaining of the funds and the governance of the funds. Interviewees were asked about their definitions of the benefits and costs in participating in the fund, and the critical human resource and labor/management practices necessary for successful fund operation. The experiences of two individual employers in each partnership were also investigated to learn how participation in training and upgrading impacts the employers and changes over time.

Interviews were conducted with employer representatives at Northwest Hospital and Medical Center and Swedish Medical Center in Seattle, and Montefiore Medical Center and North Shore-Long Island Jewish Health Systems in New York. The interviews were used to identify salient outcomes and measures that stakeholders and partners in local labor-management funds use to decide to enter into investment in low wage workers and to make decisions about program continuance, form, and emphasis. A secondary goal of the interviews was to identify criteria in use for assessing program quality, success, and overall worker advancement outcomes. In all, 10 employer and union representatives were interviewed, along with 4 fund administrators and staff. We also examined any available data from the two participating hospitals in each partnership on outcome variables such as utilization and completion of training opportunities, employee retention and advancement, and others outcomes as identified by program administrators.

We also reviewed the relevant literature on labor-management training fund models and incumbent workforce training models to provide context for the research and to develop research questions and an analytic framework.



## Summary of Findings

The motivations of employers to either join or remain in a joint multi-employer training fund are largely similar across the cases, and consistent with an internal labor market analysis of organizational behavior, which asserts the importance of both market forces and the customs, norms and power imbedded in the employment relationship.

(Osterman and Burton 2008) Three related factors emerged from the interviews with employers in the study. First, employers' primary concern when considering their training investments is the retention of employees and the ability to fill positions in a timely and cost effective manner. They see career advancement for incumbent workers as an effective strategy to achieve both. Making a commitment to career advancement strategies has ancillary benefits as well, including enhancement of the organization's reputation when attracting new employees, improvement in morale and wages of current employees, and alignment with other organizational initiatives for quality of care and technological change.

Second, employers see a multi-employer approach to funding and developing career advancement strategies as bringing both economic and programmatic advantage to their training investment. One financial advantage of the multi-employer approach is the ability to combine individual employer investments with other employers to fund programs that would be cost prohibitive for individual employers, or for which there would not be sufficient demand among employees. Another financial advantage of the multi-employer approach is the ability to leverage the combined resources of the Training Fund with other sources of funding. While individual employers could seek to do this on their own, combining multi-employer funds with external sources of funding provides an economy of scale and amplification of effect that would be difficult to match as an individual employer.

In particular, employers' express a desire for a cost-effective educational strategy that addresses the barriers to accessing and succeeding in education that many low income, working adults face. Employers indicate they can more easily achieve their training goals for these employees through combined funds than individual employer efforts. This is directly linked to a programmatic advantage of the multi-employer approach cited by employers --the increased influence it provides with educational providers on the development of training content, delivery, standards, and improved articulation across diverse educational programs. For the Seattle employers who recently made the decision to form a joint training partnership, this was a primary desired benefit and a strong incentive to invest in the Training Fund approach. Employers in New York, who had already received benefit from the increased rationalization of training and certification the Fund has created over 40 years, are more focused on how they can



utilize the resources of the Training Fund for education and assistance customized to their particular needs and challenges.

Third, employers consider the joint labor-management basis for the multi-employer approach to be a distinct advantage in maximizing their investment. The negotiated nature of the training funds requires union members and employers to find common ground in prioritizing training benefits as part of the bargained contract. This helps to give all the workplace partners a shared stake in the success of the training fund initiatives, resulting in a prioritized focus on training design and utilization. Employers noted that the contractual nature of the training fund contributions also increases the credibility of the commitment that employers are making to career advancement among employees. Union members see it as tangible evidence that the employer is willing “go on record” in a way that employer promulgated policies do not transmit. And, union members may have to trade other employee benefits for the training fund benefits in negotiations, increasing their commitment to participating in career advancement.

The union’s relationship with its members is also viewed as a vital mechanism for outreach with eligible employees. Their presence as co-governors of the Training Funds provides an added measure of assurance that confidentiality rules will be followed and ease workers’ fears that skill and aptitude assessments, counseling, and test scores will not put their jobs or privacy at risk. Employers in the newly initiated fund and the more mature fund also noted the effect of labor-management collaboration on training and education for other collaborative efforts for organizational change and improvement.

Employers do not expect a direct relationship between the joint training partnership contributions and activities on operational measures such as quality of care. Nor are they trying to directly affect or improve the regional labor pool of healthcare workers, though they do express a strong interest in general in providing opportunities for low-wage healthcare workers to advance to better paying jobs through education and skill development.

Employers understand that retention and advancement of incumbent workers is an important factor in their ability to staff for the future. However, success in increasing employee retention in health care organizations is reliant on each employer’s ability to build strong internal labor markets by encouraging employee education and providing advancement opportunities. At the same time, employers recognize that their employees’ success in accessing and completing education for advancement is hampered by the patchwork of educational and certification standards in healthcare at the regional and state level. An individual employer’s ability to influence the



occupational labor market by pushing for rationalization of standards and delivery of education and certification processes can be limited. From this perspective, the joint labor-management multi-employer approach has a distinct advantage in that it combines the two most influential stakeholders in workplace change and occupational and educational change in an effective collaborative structure for partnering with other healthcare industry stakeholders.



## **Section 1: The Joint Labor-Management Partnership Training Model**

Over the past decade, training for incumbent worker in healthcare, especially entry level workers, has increased substantially as a means to upgrade the existing healthcare workforce into critical shortage areas. The need for workforce development strategies in the healthcare industry that address the attraction and retention of entry-level workers and provide career advancement opportunities is well documented. (Maguire et al. 2009) Many different approaches exist to providing employer based and sector workforce development for entry level healthcare workers, some funded by private or government initiatives, some initiated by labor-market intermediaries, and some the result of long-standing collaborations between multiple stakeholders. Few however are able to extend their approach across employers to create the needed scale for long-term sustainability and for increased rationalization of training dollars across the patchwork of accreditation and certification standards for healthcare workers. (Wilson 2006)

As noted in a previous study funded by the Hitachi Foundation, there is increasing convergence in health care education on large, multi-partner initiatives as a strategy to address both facility and sector needs. A number of coalitions of advocacy groups, unions, employers and state agencies are engaged in partnerships to advance regional or occupational training programs, and foundations sponsor start-up initiatives in varieties of settings. (Fitzgerald 2006)

In this mix, labor-management multi-employer joint training partnerships represent a distinct strategy to address career advancement for low wage, incumbent workers. Labor-management multi-employer partnerships have helped to lead the way with often ground-breaking strategies to support the development of entry-level workers and long-term success in sustaining training and education in a changing healthcare delivery and labor market environment.

The joint-labor management approach differs from other strategies in healthcare workforce development in that it links healthcare facilities in a state or region through their shared relationship with a healthcare union. Rather than being led by a workforce intermediary or a particular employer or educational provider, the union and its employer partners become the drivers for the training initiatives they jointly develop.

This allows them to focus on both the needs of incumbent workers across hospitals and the specific needs of employers in each participating facility with the benefit of an economy of scale that can leverage scarce training dollars into better and more



extensive training initiatives than any individual hospital could achieve on its own. The model is dependent on developing deep and long-lasting partnerships with educational providers. These partnerships are dependent on the willingness of educational providers to adjust their traditional role as semiautonomous creators and suppliers of quality educational content to undifferentiated individual learners to also become collaborators in the creation and supply of educational modalities that support the success of particular groups of learners, i.e. incumbent low-wage healthcare workers.

Another key differentiation of the labor-management multi-employer approach is its reliance on sustained employer supplied training monies as a basis for leveraging public or foundation support for training and education activities. The contribution of employers to labor-management multi-employer funds are negotiated into collective bargaining agreements as a benefit to employees over multiple years and held in a jointly administered trust fund and sometimes have a companion, separate 501(c)(3) organization to serve broader workforces needs. Employers and unions have a mutual desire to ensure that the funds are utilized by as many employees as possible. And, participating employers are able to band together to amplify their investment with public or private grants, thus receiving a larger return on investment than they might otherwise be able to achieve.

A third singular aspect of the labor-management multi-employer approach as it has developed in healthcare is the leadership of a single local union that binds multiple employers in one region together in both the initiation of the partnership and its sustained growth. The existence of one union with an interest in maintaining and expanding employer participation in a city or region gives employers some assurance that they will not be subject to the “free rider” problem should they commit relatively larger resources to a multi-employer endeavor. The union, with members in every participating employer workplace can play a connecting role in ensuring widespread recruitment and outreach for maximum utilization of employer investment.

### ***Single and Multiple Employer Joint Training Partnerships***

Health care labor-management partnerships for incumbent workers follow in the line of a long history of such negotiated efforts in other industries. Unions and employers in the industrial sector have employed a similar incumbent worker career advancement model since the 1950's to train skilled trades workers who could meet the needs of the particular employer production process using the traditional apprentice to journeyman to master craftsman career ladder. In the auto industry, for example, this model still thrives. Negotiated training benefits are jointly governed by union-management apprenticeship councils to allow incumbent production workers to move into skilled



trades jobs or skilled trades workers to upgrade skills through a combination of training and on-the-job learning provided by the employer in concert with local educational providers.

Outside of the skilled trades, negotiated joint training initiatives in the auto industry, telecommunications, and elsewhere have produced a myriad of training and educational activities for both incumbent workers and as a benefit to laid-off workers for post-employment success. (Bloom and Campbell, 2002) Some joint labor-management training partnerships have sought to attract new workers to their industry through school-to-work partnerships with local educational providers. These have primarily been focused on employer specific opportunities that help to bring local job seekers into immediate employment opportunities.

In a few instances, unions have joined with national associations of employers to operate multi-employer training funds that govern industry standards for both employee qualifications and educational providers. The National Electrical Contractors Association (NECA) and the International Brotherhood of Electrical Workers (IBEW) joint apprenticeship council is a prominent example of a long-term, national joint labor-management multi-employer partnership to offer industry-wide training that is widely accepted as a standard for hiring and promoting workers within a particular occupation. For almost 100 years, the NECA-IBEW joint apprenticeship partnership has relied on monies negotiated through local bargaining between employers and the union to provide funding to regional educational providers that adhere to standards developed jointly by the IBEW and NECA. Workers in the apprenticeship program combine on-the-job training with classroom education to progress through the skill trades career ladder. Other skilled trades unions in construction have a similar set of agreements, some less developed, with their related employer associations.

Construction trades joint apprenticeship programs are a response to a seasonal and mobile labor market that faces chronic shortages of skilled labor. Construction industry apprenticeship programs jointly sponsored by unions and employers have been shown to have a higher rate of retention, and program completion and certification than programs provided by employers unilaterally. The size of apprenticeship programs may also be a factor in retention and completion. Joint labor-management programs tend to be larger than employer sponsored programs. (Bilingsoy, 2003) Still usage of the joint apprenticeship program varies widely by construction market and region.

An example of a regional approach to sector employment needs, is the labor-management partnership in the hospitality industry in Las Vegas, Nevada. More than 25 hotels and casinos in the region partner with the Culinary Union Local 226 and the



Bartenders Local 165 to sponsor the Culinary Training Academy (CTA) to provide pre-employment training for job seekers and skill upgrade training for incumbent workers in the hospitality industry. Over 50,000 union workers are eligible to take classes for no fee under the collectively bargained funds, and job seekers can pay for courses to graduate from the academy with certification that makes them highly recruited by participating employers. The CTA in 15 years has become the largest provider of training and employment for hospitality industry workers in Las Vegas, with approximately 3000 students participating each year. (Bloom and Campbell 2002)

In New York State's public sector, a number of negotiated joint training funds between state and city employers and unions have existed since the early 1970's, with a multiplicity of programs that provide basic and remedial education, occupational advancement training, supervisory training, and various forms of professional development opportunities. The labor-management training funds are jointly administered and contract with public and private sector educational providers to design and deliver both on-going open enrollment training programs for individuals, and customized "on-demand" training for specific agencies or employee groups. (Grey et al, 1991)

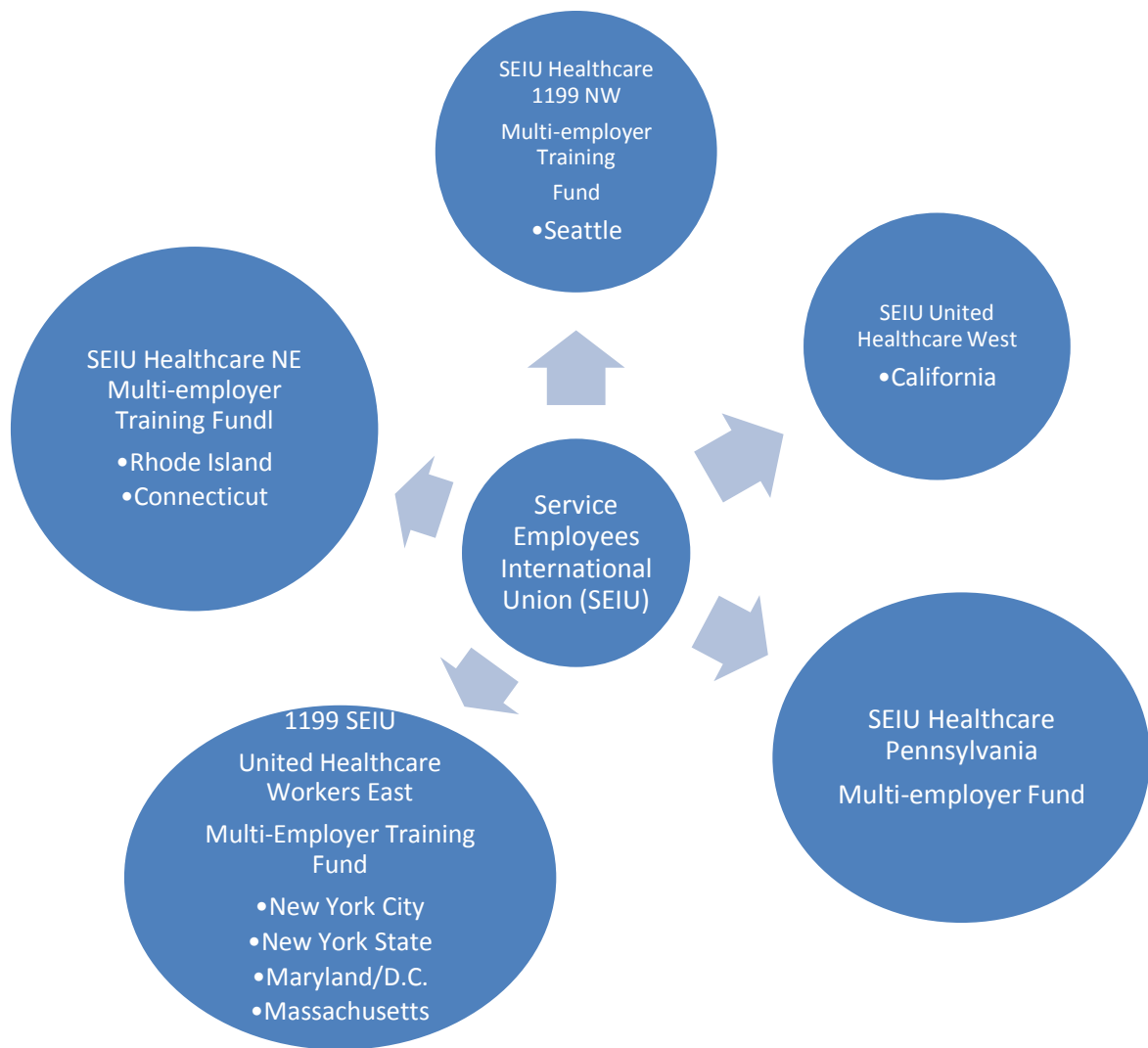
An early regional partnership example involving both public and private employers in the health care sector is the AFSCME 1199C Training and Upgrading Fund (TUF), established in 1974 by the union and 9 Philadelphia hospitals. Currently, 55 employers participate in the fund and the partnership provides educational benefits to union members and training to both union and community members seeking to enter health care employment through a learning center operated by the training fund.

The growth in the 1199C TUF mirrors the growth of collectively bargained multi-employer training and upgrade funds nationally in the healthcare sector. By far the largest and most comprehensive of these is the first such multi-employer training partnership in healthcare, organized by 1199SEIU and the League of Voluntary Hospitals and Homes in New York City in 1969. Over the past 40 years, the 1199SEIU Training and Upgrading Fund has grown from a single fund devoted to training and upgrading employees in the League of Voluntary Hospitals and Homes facilities to a collection of funds devoted to a variety of needs in the healthcare industry in the New York City area and across New York State. 1199SEIU Training and employment funds in Massachusetts Maryland, New Jersey, and Washington D.C. are now also included in the 1199SEIU United Healthcare Workers East umbrella of funds. Together, they cover more than 250,000 workers from more than 600 participating employers, making them the largest training fund in the country.



The regional, employer-based approach to healthcare sector training and workplace change has been replicated by other local healthcare unions and employers. The national Service Employees International Union (SEIU) has regional, state, and local unions who partner with healthcare employers across the country. (Figure 1)

Figure 1. Service Employees International Union Multi-employer Funds





## **Section 2: The SEIU Joint Training and Upgrading Model in Health Care**

Currently, there are 5 multi-employer funds, (including multi-state funds) devoted to training, education and employment across the U.S. negotiated by SEIU local or regional unions. The funds vary in their employer participation, involving acute care medical centers, nursing homes, and home healthcare employers, both public and not-for profit. Some funds are specific to a city or region, or are statewide, while others include multi-state employers, such as Kaiser Permanente, and cover workers in a number of states. Currently, SEIU multi-employer funds involve employers in New York, New Jersey, Massachusetts, Connecticut, Pennsylvania, Maryland, the District of Columbia, California, Oregon, Nevada, Colorado and Washington.

Each fund grows out of local and regional needs and vary in their structure, types of training offered, and occupations involved. While the funds are all devoted to incumbent worker career advancement, the range of assistance offered varies from tuition assistance for accredited degree or certification programs, to specialized employer-specific training, to pre-college and college readiness programs in partnership with local education providers, and career and educational counseling and support.

Collectively bargained employer contributions are the basis for fund operation. The typical contribution is .5% to 1% of wages based on gross wages for the bargaining unit(s) included in the fund. Most funds are Taft-Hartley 501c9 funds, regulated by federal requirements that require employer contributions to be used in specific ways for employee benefit. A few of the funds have companion 501(c)(3) corporations that can receive foundation or other charitable funds. The by-laws for fund governance and operation are spelled out in trust fund agreements. Local union and participating employer representatives form the board for the funds and decide on fund allocations for education activities, administration, and support services to workers in education programs. Each fund has a director to oversee and execute fund activities.

### ***The Joint Governance Model***

In addition to employer contributions, funds also pursue other sources of education funding and often multiply their base of employer funding by substantial amounts. At the state level, funds may take advantage of workforce development funding, state education programs, specific healthcare legislative actions, and state earmarks for a specific training program as well as funding through state workforce investment programs under the federal Workforce Investment Act, or TANF, the welfare to work program for which some of the lowest wage workers in healthcare qualify. Federal earmarks or funding from specific federal agencies such as OSHA are also sources of



funds, as are private foundations in some cases. Funds apply for grants as a single entity, in partnership with education providers, and sometimes as part of collaborative efforts with area agencies or other employers. Few of the funds offer their own training services; more commonly, they contract with education providers or provide tuition assistance for workers to attend existing or new programs. In New York, the Training and Upgrade Fund has agreements with local colleges for a number of “seats” in specific degree programs as part of its mix of training arrangements. Some funds hire instructors to prepare workers for admission to these programs by providing basic skills, tutoring, or college preparation assistance.

The traditional employer partners in the SEIU-based funds have historically been acute care providers, though nursing homes in New York City were included in the fund from its inception. Growth in the number and size of funds in the past 10 years has increasingly come from the participation of nursing home and home health care employers. Though varied in size, scope, occupational and employer base, and level of funding, the funds share a general approach to incumbent worker training. First, training programs are built around on the needs of employers for specific skills and designed to help incumbent workers to fill open positions, thus promoting job security. Second, education programs are credit-bearing wherever possible to help workers advance in degree attainment. As part of this career advancement approach, the funds also attempt to create pathways into education for all workers, regardless of their educational preparedness, that will lead to a career ladder opportunity.

Local SEIU unions, rather than employers, have been the primary organizer of these multi-employer funds, building on the basic model established by the first fund in New York, started in 1969. However, each fund is locally constituted and locally governed by employer and union partners. To facilitate collaboration on industry wide training and education issues, SEIU, along with the New York 1199SEIU training fund, organized the Healthcare Career Advancement Program (H-CAP) a coalition of employers and SEIU locals who are engaged in joint labor-management partnerships for healthcare worker education and training. A primary purpose of H-CAP is to share information, research, and tools, and to collaborate on working with educational providers to develop healthcare career ladders, starting in nursing, but recently expanding into other healthcare related careers.

Four founding employer partners in H-CAP – Kaiser Permanente, Swedish Medical Center, the League of Voluntary Homes and Hospitals of NY, Cape Cod Healthcare Corporation and 4 local area SEIU unions shared a commitment to collaborative problem-solving to developing a new, more national perspective on how to deal with the nursing shortage crisis. Their initial work focused on developing models to articulate



career pathways and working with colleges to create and implement. As H-CAP has grown and added new members, including individual employers and local unions without joint training funds, the coalition's activities have broadened to include a more general working adult learner focus for incumbent workers already employed in health care in other occupational career ladders.

The long-term vision for H-CAP partners is to shape a national nursing education system that will be more responsive to changing patient care delivery standards and methods and to the needs of working adult learners who may progress along a career pathway over the course of years to solve the continuing problem of health care worker shortages. This vision has expanded to include allied health professions as well. State level certification boards make a national educational program difficult however. Instead, H-CAP has been using their combined resources and knowledge to improve regional systems to make it easier for students to gain educational credentials throughout their careers. In this role, H-CAP's existence has helped to spread interest in the collaborative labor-management training approach and H-CAP members often provide information and experience to interested employers and local unions.

Recently H-CAP was awarded a grant from the U.S. Department of Labor, American Recovery and Reinvestment Act (ARRA) to work with labor management training partnerships in 4 regions around the country on greening the environmental service departments (housekeeping) and creating a new career pathway for entry level workers. The program is designed to support the "triple bottom line" (people, planet, profits) of the healthcare industry through the human capital development of an often overlooked part of the health care team – the people who clean and sanitize the hospitals, remove waste and support recycling and waste reduction.



### **Section 3: SEIU Multi-employer Healthcare Worker Training Funds Case Examples**

This research project focuses on the labor-management multi-employer training approach in acute care facilities. We did not examine the approach as it is carried out in nursing homes or other healthcare settings. The two funds examined here cover bargaining units representing RN's, service and maintenance workers, and technical and professional workers. However, we focus in particular on joint training fund activities for non-RN employees to assess how the model addresses the career advancement of incumbent workers, especially front-line workers into career pathways that lead to nursing and other critical skill shortage areas.

#### **The New York Funds**

The New York 1199SEIU Training and Employment Fund (Training Fund) originated the health care sector model of a labor-management multi-employer training and education partnership in 1969 to address the career advancement and employment needs of New York City employers and employees. The Training Fund has evolved its approach from the 1970's to present to become the largest, and arguably the most comprehensive and successful health care career training system in the country. Its growth trajectory has closely followed the region's health care employment needs, in particular skill shortages in nursing and other critical care areas.

1199SEIU United Healthcare Workers East (1199SEIU UHE) is the dominant health care union in the New York area, representing over 100,000 health care workers in New York City alone. From its formation, the union has championed career advancement for incumbent healthcare workers, in particular service and maintenance workers, and technical and professional workers who account for the largest percentage of the union's membership. 1199SEIU UHE began as a union by organizing these workers in the City's largest hospitals, who in turned formed the League of Voluntary Hospitals and Homes of New York (the League) to engage in coordinated bargaining with the union. This collective bargaining relationship is the basis for the multi-employer approach to training and education for career advancement that has grown in the City over the past 40 years. While the League is still the largest acute care employer group with whom 1199SEIU UHE bargains, other hospitals in the region as well as home health care and nursing home employers have been organized over the years, resulting in 1199SEIU UHE bargaining relationships with dozens more employers in the New York City area who also participate in the Training Fund.



The Fund is a Taft-Hartley fund jointly governed by the 1199SEIU and employer partners with an equal number of trustees from the union and employers. The League of Voluntary Hospitals and Homes of New York is the largest partner, representing 109 non-profit medical center, hospital, and nursing home employers in the New York area. Additional employers who are not members of the League who bargain with 1199SEIU also participate in the Fund. Approximately 120,000 workers in New York City are covered by the Training Fund. Within the past few years, nursing homes employers in upstate New York and health care employers in other states have also formed “sub-funds” with 1199SEIU UHE. Combined, almost 400,000 workers from more than 300 participating employers participate in Training Funds with 1199SEIU Healthcare Workers East.

In 1969, the League and 1199SEIU formed the Training and Upgrading Fund with a contractual agreement for employers to contribute a percentage of wages to fund tuition assistance for incumbent workers. The Training Fund idea was an outgrowth of the civil rights movement. 1199SEIU conceived it as a means to demonstrate how collective action can overcome poverty and discrimination. By focusing on low-wage workers who lacked the funds to advance themselves through education, the Training Fund was intended to pool resources and effort to support workers’ movement out of poverty into higher paying jobs and careers.

From its inception, the Training Fund was also intended to encourage employers to develop career advancement opportunities within employer facilities. Early on, it became clear that only a small number of working adults were able to take advantage of the tuition assistance benefit to enroll in college degree programs. And, the high price of tuition, stipends, and time off the job that employers paid to fund a relatively small number of worker students made the Training Fund investment an expensive proposition with a relatively low rate of return to employers and the many incumbent workers who were not able to advance their careers through Training Fund assistance.

Although the early experience of workers who achieved degrees had demonstrated that it was possible for front-line workers to advance into higher paid healthcare careers, it was also clear that lack of basic skills for enrolling in degree programs, difficult work schedules, child and family care responsibilities, among other factors kept many interested workers from attempting to enroll in training and education. the Training Fund was one of the first training organizations in health care to recognize the barriers that front-line workers can face in accessing and successfully completing education for career advancement and develop systematic approaches to make education more accessible. By 1985, literacy and other basic education programs were added to the Fund’s portfolio,. A series of supportive learning innovations have followed over the



years, culminating in the present Training Fund's comprehensive career advancement education system.

In the late 1980's and early 1990's, severe shortages in critical skill areas accelerated New York employers' interest in advancing large numbers of incumbent workers into the needed areas. The Training Fund responded by working with local colleges to develop part-time degree programs, rare at the time, to allow more union members to begin their educational advancement path. This began a process of systematic educational change in healthcare degree programs in the City, and a series of innovations on the part of the Training Fund to support all employees in pursuing education and training. In partnership with the Training Fund, the City University of New York (CUNY) has worked to modify their traditional approaches to create educational modalities that help working adults to complete degree programs.

### ***The Training and Employment Funds***

The Training and Upgrade Fund is now one of 3 funds that form the 1199SEIU Training and Employment Funds. In addition, since 1951, 1199SEIU has negotiated a number of benefit and pension funds with health care employers in New York and the Northeast, as well as the RN Training and Job Security Fund, and most recently, the Child Care Fund which provides child care assistance and youth programs.

The Training and Employment Funds include the original Training and Upgrading Fund, the Labor Management Project, and the Job Security Fund, which is complemented by an Employment Center. The Labor Management Project was developed to provide assistance to facilities in addressing organizational change issues, using a collaborative labor-management process. The Project provides technical assistance and training to in-house labor-management teams on projects identified within facilities, and serves as convener for cross-facility learning and knowledge sharing. The Job Security Fund and the Employment Center are designed to support the career advancement and retention goals of the Training Fund by providing a safety net for displaced 1199SEIU workers with supplemental benefits for laid off workers coupled with job placement services. The Job Security Fund seeks to retain health care workers in the New York area by facilitating their transition to new jobs with partner employers. Training Fund employers draw from the Job Security Fund pool through The Employment Center to fill vacancies before opening positions to non-1199SEIU applicants.

League and 1199SEIU partners conceived of the Job Security Fund as one way to help ensure that their investment in the advancement of incumbent workers would not be lost as healthcare workplaces and practices restructured. Retaining laid off workers by placing them in League facilities, or retraining them for new positions made not only



good economic sense, it further deepened the city wide commitment of the health care sector to building long-term healthcare careers with its existing work force. The combined three efforts, training and upgrading, job security, and collaborative organizational change, create a synergy that as Bruce McIver, president of the League comments is one of the larger benefits to participating employers. “You can create similar synergies on an institution basis, and many employers do, but there is a large advantage to doing both (job security and training) across institutions.”

### ***Training Fund Activities***

The Training Fund acts as the primary point of contact for workers interested in pursuing education. Individual workers contact Fund counselors for career planning assistance and development of an educational plan. The counselors assist individuals with eligibility requirements, admissions procedures, and tuition assistance. The Fund also provides training coordination for customized programs offered in specific hospitals, grants application and management services, and develops its own programs to support learners in their education pursuits.

The Training Fund has four categories of education and training available: pre-college programs, college programs, continuing education and certificate programs, and skills training. Extensive education support services have also grown over the years and the Fund operates two learning centers in Manhattan and Brooklyn that offer walk-in tutorial assistance. Workshops, counseling services, and classroom space are offered in a variety of locations in the New York area.

#### **Pre-college programs**

The Fund's pre-college programs are focused on preparing workers for entrance into degree programs, and include ESL, high school completion assistance including preparation for the Spanish GED test, and college preparation courses designed to help students pass the City University of New York (CUNY) placement exam or nursing school entrance exams. The pre-college programs represent the Fund's recognition of the desire of many front-line workers to move into career ladders in health care who lack the preparation to begin degree programs. On average, 500 workers per year participate in the college preparation courses, the majority of whom are interested in nursing programs. Another 3000 participate in GED, ESL, and pre-LPN programs each year.

#### **College programs**

One of the Fund's central goals is to improve the availability of nursing and allied health professionals through the upgrading of incumbent workers who complete degree



programs. Assistance for college programs is primarily in the form of tuition assistance, which accounts for nearly half of the expenditures from employer contribution funds. From its inception, the Training Fund has offered tuition assistance for degree completion and over the past 10 years, on average 4000 workers per year take advantage of the assistance, with 70% enrolled in nursing programs. In the late 1990's, as the nursing crisis deepened along with the need to increase the diversity of the nursing work force, the Training Fund and CUNY deepened their partnership and developed mechanisms to address the barriers incumbent workers face in accessing and completing education. CUNY and the Fund worked closely together to increase the number of courses offered on-site at hospitals at convenient times, improve articulation between various degree programs in CUNY's 17 four and two year colleges in New York City and SUNY colleges, and increase part time and distance learning programs. The Fund negotiated with 5 CUNY colleges to create a "counseling consortium" to better support workers attending college, where a campus counselor is dedicated to assisting 1199SEIU members enrolled in the college, in conjunction with a Fund counselor.

Two other major shifts in the Fund's conceptualization of tuition assistance occurred in the late 1990's that greatly increased worker participation in college programs. To encourage workers who might be reluctant to return to school after years away, or first time students who find the traditional college environment daunting, and workers who may be unsure of their career path, CUNY and the Fund created the Health Careers Core Curriculum (HC4) in 1994. HC4 allows students to take up to 34 credits of basic college courses in a part-time program offered exclusively to 1199SEIU members. This innovative program uses a cohort model where the Training Fund contracts with CUNY and now SUNY to provide classes in Training Fund facilities or on campuses in the mornings and evenings. HC4 participants are supported with counseling, tutoring and books and supplies by the Training Fund staff. The courses are guaranteed to articulate into existing CUNY and SUNY degree programs. Participants take a general curriculum designed to provide foundational courses for health care degrees for the first 18 credits, and select a major for the remaining credits.

The HC4 concept was a breakthrough in both its approach to providing comprehensive support to working adult students, and the non-traditional method of college course delivery it required of CUNY. The program has had an extremely high rate of retention and completion, and 70% of HC4 participants go on to pursue nursing degrees, while the remaining pursue other health care career degrees.

The second shift in tuition assistance was the institution of tuition vouchers, in addition to traditional tuition reimbursement. As 4 year nursing schools became increasingly



expensive, the Fund began to explore ways to keep the costs of tuition assistance low while maximizing benefits to workers, who often had difficulty paying tuition costs upfront while waiting for reimbursement from the Fund. In 1998, The Fund negotiated agreements for tuition vouchers with CUNY, the State University of New York (SUNY) and Touro College, whose tuition rates have remained lower than the private college's average. Workers attending these colleges often are able to complete degrees at these institutions with no out-of-pocket expenses. The number of 1199SEIU students attending CUNY schools has nearly doubled in the 10 years since the tuition voucher program began. One fifth of the 12,000 CUNY nursing graduates between 1998 and 2008 were 1199SEIU members, and over 50% of LPN graduates. (Ebenstein, 2009) The voucher approach and the HC4 curriculum, along with the many other efforts by CUNY and the Fund to build access to college programs, are examples of how sustained, long-term partnerships between multi-employer labor-management training funds and education institutions can reshape the health care education landscape in a way that benefits the sector's major stakeholders.

### Continuing Education and Certificate Programs

The Fund has added certificate programs over the years to address changing job-related needs and to prepare workers for certification exams. Seminars and short courses are offered by the Fund itself for identified special needs, and individual workers have access to a range of professional certification courses offered through education institutions to upgrade skills in both patient care and service and technical careers. Recently, the Fund added the Institute for Continuing Education to more efficiently offers ongoing accredited programs for technical and professional workers who have historically had a lower rate of utilization of Training Fund benefits. A committee of technical and professional workers worked with the Training Fund to design programs that suit their needs for both occupational training and cross-disciplinary training. The Institute now offers a full range of accredited seminars in conjunction through a combination of on-site training, live video casts, and live webcasts. The Fund partners with hospitals, education partners, and other health care institutes to design and offer seminars and symposia.

### Skills Training

A variety of information technology skills programs are offered on-site and through education providers to enhance adoption of technological change and upgrade worker's facility with information technology. In addition, training is offered in communication and language skills such as Spanish and American Sign Language to enhance patient care.



### ***Fund Financing***

Through the collective bargaining agreement, the Fund received an average of \$24 million per year over the past 12 years with the League of Voluntary Hospitals contributing the largest portion. Employers' contribution requirement has remained steady at .5% of their gross payroll and individual employer contributions vary according to the size of their 1199SEIU work force. A little more than half of this base funding is designated for tuition assistance. The other half is allocated annually to additional services and programs and Fund operational costs. Over the same 12 year period, the fund received \$285 million in grant funding, almost doubling the Fund's total amounts available. The largest grants came from two sources – the federal Community Health Care Conversion Demonstration Project (CHCCDP) and the Health Care Reform Act grant (HCRA) funded by New York State, which funded the Health Workforce Retraining Initiative. The Training Fund's \$135 million in HCRA grants started in 1998 and is now under discussion for renewal. Targeted at upgrading incumbent and laid off workers to move into critical shortage areas HCRA grant monies were used to fund both additional spots in nursing degree programs and to provide certificate training to upgrade RN's in critical shortage areas and skill specialties. Hospitals with open positions for upgraded workers worked with the Training Program to design either customized programs or take advantage of existing programs. More than 2500 new RNs, BSNs, LPNs and surgical technicians in participating hospitals were trained and placed during the program. Another 3170 RNs upgraded their skills and also moved into upgraded positions through the programs.

Over the years of its operation, the grant has also provided money for training for radiology technicians, upgrading of billing and coding jobs, skills needed for the transition to electronic medical records, and the transition from nurse's aide to patient care associates.

The CHCCDP (sometimes called the "Federal Waiver Program") targeted 33 Training Fund institutions with high Medicaid populations to help them make the transition to the new managed care provisions of Medicaid. Approximately \$150 million of funding was utilized as part of the New York State allocation over 7 years to Fund programs in qualifying employer institutions. The Fund, as the workforce intermediary for the grant, worked closely with individual hospitals to address their training needs. The experience helped to cement labor-management relations in collaborative problem-solving to implement the grants.



### ***Employer Perspectives on the Multi-Employer Partnership Model***

In a multi-party coalition such as the League, there is always the concern on the part of smaller partners that the larger partners will dominate the agenda and smaller partners' needs will not be met. On the other hand, larger partners risk the "free rider" problem of smaller partners taking a disproportionate share of benefits from the shared funding. Bruce McIver, president of the League, reports that this hasn't been a problem for the League over the years regarding the Training Fund. Larger institutions in the Fund do not necessarily feel they are subsidizing the smaller institutions, as they receive their full share of the benefit and are able to amplify with their own training funds. And smaller or struggling hospitals often get a better benefit through their participation in the Training Fund and its wide array of programs than they would be able to invest on their own in training monies.

Sustaining the Training Fund has been a steady goal of the union in bargaining and has never been a questionable item from the League's perspective. The Fund always comes under scrutiny during collective bargaining for administrative costs and, at times, there can be pushback from some employers on whether the shared governance structure of the Fund is equitably balancing the values and goals of the partners. Employers in the League have a strong interest in whether the Training Fund investment is filling the needs of institutions and the industry for workers in critical skill shortage areas. They therefore prioritize two outcomes – the ability of the Fund to produce nurses from the existing workforce and whether employees are actually placed in upgraded jobs as a result of Fund training investments.

Member institutions of the League can vary substantially in size, population served, financial stability, and care delivery systems. Their responsiveness to participation in the Training Fund also varies. Some institutions are much more active in encouraging and supporting employee use of the Fund's assistance, or in working with the Fund to develop customized programs. While a variety of factors may influence usage differences between hospitals, McIver, League president, has observed over the years that hospitals with more traditional, arms-length relationships with unions are less likely to fully utilize Training Fund benefits. However, as the power of the partnership between 1199SEIU and the League has grown in relationship to their ability to jointly represent health care sector needs with policy makers and legislators, there are fewer traditional relationships in League hospitals. At this point, McIver comments that "we have about as good a relationship with a union" with 1199SEIU as is possible.

The success of the multi-employer approach is dependent on two levels of effort and how well they complement each other. At one level is the performance of the Fund on behalf of the employer partners. At another level is the commitment and effort of each



individual employer partner. The Fund itself provides an organization with an overview of hospital and worker needs that can advocate with education institutions for better access and for programs that address hospital needs. The Fund can organize employer effort to either access existing funding sources, or advocate for new funding streams to address identified employer needs. At the same time, individual employers' benefit from the fund is partially dependent on their own effort to take advantage of grant funding opportunities and encourage their employees to utilize training benefits. Local union delegates can also be influential in this effort. Institution level labor-management training and education committees can provide an effective organizing structure for this level of effort. However, it is an institution's own strategy and attention that ultimately determines the value that can be leveraged from participation in a multi-employer effort.

The Board of the Fund plays a critical role in balancing the tension between the two major concerns of its partners: Is the Fund benefiting all employers? And, is the Fund providing access to all employees? The Fund continuously examines the differences between hospital utilization rates to understand the factors that may account for variations. Are lower utilization rates an indication of past success, or lack of access? Are there particular populations in a hospital with needs that are underserved, preventing them from utilizing the Fund benefits? The operating organization of the Fund has evolved to address these concerns. The Fund takes a proactive approach with education providers. As staff identifies emerging needs in the hospitals, the Fund assesses whether it can most effectively and efficiently address them through existing programs in an education institution or whether new programs need to be developed. For example, as electronic medical records are integrated into hospitals, new kinds of jobs and skills are needed. Rather than waiting for colleges or individual hospitals to develop training programs, the Fund took responsibility for organizing a coherent approach that will help rationalize skills and training across hospitals and education providers. At times the Fund itself is the most efficient provider of education programs, for example in literacy, and is able to offer services through its learning centers. The Fund's partnership with CUNY and other education providers over its history is a critical component in the success of the Fund's labor-management multi-employer model.

### **New York Case: Montefiore Medical Center**

Located in the Bronx, New York, Montefiore is a four hospital system with a total of almost 1500 beds. In addition, Montefiore offers extensive ambulatory care and is the university hospital for Albert Einstein college of Medicine. Out of its 17,000 employees, approximately 4000 are represented by 1199SEIU. Montefiore was the first hospital in



New York City to sign a contract with the 1199SEIU in 1959 and is a member of the League of Voluntary Hospitals in New York City, with whom 1199SEIU started the Training and Upgrade Fund in 1969.

Montefiore Medical Center's experience offers an example of how an active user of the 1199SEIU Training Fund's programs can maximize their investment in training through a multi-employer labor-management fund. Like other employers in the fund, Montefiore encourages individual employees to enroll in degree programs with tuition assistance from the Fund. A substantial additional opportunity offered through the Fund is the ability to participate in specific training or certification programs to fill needed positions in the hospital, upgrade skills in existing positions, and to receive customized assistance and stipends to help employees complete training. For example, in both 2005 and 2006, Montefiore utilized over \$2 million of grant funding coordinated through the Training Fund to provide between 20 and 30 training programs totaling in more than 10,000 training encounters for Montefiore workers per year. Overall, Montefiore has received more than \$5 million in HCRA and Federal waiver grants. Montefiore complements their participation in Training Fund activities with investments of their own – in computer labs, simulation technology, hosting of distance learning events, training staff, in-kind contributions such as release time, and specialized programs to address needs that are not covered by the Fund.

As a snapshot of usage, between 2005 and 2008 there were anywhere from 2500 to 8500 training encounters per year at Montefiore. Of these, a steady 250 to 300 workers utilized the tuition assistance program to pursue college degree programs. The wide range in numbers of training encounters in additional education programs reflect the unsteady nature of funding sources the Training Fund and individual employers such as Montefiore attempt to access. The Training Fund, in collaboration with active employer partners such as Montefiore Medical Center, is continuously developing new funding sources for identified employer needs.

The education programs Montefiore engages in reflect the varied and complex training needs for an employer who is attempting to advance incumbent workers in a large healthcare organization. For example, in 2005, training was supplied in HIPAA policy and procedure to almost 60% of staff, 20 ultrasound technicians received preparation for a registry examination, and 60 medical record workers were trained on new scanning technology. Central sterile processing and decontamination certification, pain management and palliative care training, customer service and computer skills for over 1000 workers, and more than 20 programs in other areas were also offered, totaling in more than 1500 employee participants. Most of these programs were funded by the Federal Waiver and HCRA funds coordinated through the Training Fund.



## ***Supporting Structures***

A local labor-management training committee has been a key factor in Montefiore's high utilization of training funds and its extensive array of training activities. The training committee functions as the liaison between the hospital and the Training Fund and is an important mechanism for channeling Montefiore training needs into existing Training Fund activities, and translating grant or other funding opportunities into customized programs for Montefiore workers. Inside the hospital, the committee is the clearinghouse for requests from units or managers for training programs and also the trouble-shooter for dealing with scheduling and release time issues that may arise when training is offered.

The training committee serves a number of purposes to promote and support education at Montefiore. They work to publicize training opportunities through training fairs held 2 to 3 times per year and other promotional activities for specific opportunities. The committee is also responsible for making decisions on which programs require that applicants meet criteria for acceptance and which will be open admission. The committee also makes decisions on acceptance into programs where the criteria are not governed by the collective bargaining agreement. To support Montefiore's participation in the Training Fund, the hospital used to receive assistance from Fund monies for a liaison position to assess training needs at Montefiore and represent the hospital in accessing Training Fund services and assistance. The liaison position is no longer funded but the hospital commits the time of its training staff to work with the local labor-management training committee.

The training manager role is also a critical function in working with units and individual managers to facilitate worker participation in education in a way that meets operational needs. Balancing unit salary budgets and coverage with overall institutional needs for upgrading skills can be a difficult equation for managers to work out. Individual departments are not always easily persuaded of the worth of adjusting their staffing to accommodate the need for training in a skill shortage in another area. The training manager role, combined with the local labor-management training committee has helped to maintain a continued overall commitment to incumbent worker advancement by Montefiore, and been a critical factor in keeping the levels of usage, completion and success in placement high.

In the past year, there has been a decline in training activity. Montefiore Medical is experiencing cutbacks and some reorganization and the focus on pursuing training opportunities has lessened for the moment. At the same time, training monies coordinated by the Training Fund that had been available through the Federal Waiver and HICRA are substantially reduced or ending, reducing the variety and number of



programs available through the Fund to Montefiore employees. Regular funds from the collective bargaining contribution are of course still available and employees continue to use them. In addition, the hospital has pursued some grant funding on their own for specific employee groups.

### ***Assessing Value***

A first level of assessment for Montefiore training and human resources staff is the annual report on fund activities reviewed by the Training Fund's board, which provides information on contribution levels and usage by individual hospitals. Montefiore Medical Center has consistently been one of the highest users of Training Fund programs and managers report they are satisfied with the return on their investment overall in terms of usage. And, the hospital routinely monitors turnover, attendance, and retention rates and believes the level and quality of training is one of the factors affecting these outcomes.

A second level of assessment is the return on investment for specific training programs. Here, the primary indicator of success is the ability to staff in key areas with internal candidates. Each program is evaluated individually on this criterion. As Janett Hunter, Montefiore training manager explains, "If we train 100 people and don't soon after place 25% of them in appropriate jobs, we're not getting a full return on our investment". Depending on the type of training, other factors may come into consideration. For example, an extensive program for upgrading customer service skills in which an entire unit participated was evaluated based on outcome measures such as customer satisfaction and reduction in errors. A training program to upgrade skills in billing and coding was expected to produce increased revenues and reimbursements. Training additional surgery technicians from the existing workforce to rationalize scheduling in operating rooms was evaluated based on reduction in surgery delays to justify the extensive cost of backfilling for workers while they completed a full-time, intensive program. Some types of training can be harder to evaluate than others. Providing Spanish language skills to patient care providers is presumed to lead to better patient satisfaction and care results but it is difficult to quantify the connection.

These finer levels of assessment are important however in maintaining a high level of commitment to training at the operational level. As managers struggle to stretch the budgets in their units with reduced resources, it is necessary to have credible data to demonstrate how arranging for release time to upgrade the skills of workers in their unit is worth it to their immediate operational needs, in addition to the broader and longer-term institutional needs. Data from the Training Fund on either similar endeavors in other locations, or from Montefiore experience, or credible estimates of the effect of



training on specific outcomes helps to persuade managers to prioritize training and education. Increased budgetary pressure at the department level is a potential institutional barrier to maintaining Montefiore's historical success in taking advantage of training opportunities as they arise.



### **New York Case: North Shore-Long Island Jewish Health System**

Beginning with the merger of the non-union North Shore University Hospital at Manhasset and Long Island Jewish Medical Center in 1997, the North Shore system has grown substantially through mergers and acquisitions to become a group of 11 hospitals with nearly 38,000 employees across Long Island, Westchester County, and Staten Island. North Shore and some other acquired hospitals are not members of the Voluntary League of Hospitals of New York. However, other facilities in the North Shore system Long Island Jewish Medical Center, Forest Hills and Staten Island University Hospital -- are long-time League members and contributor to the Joint Training Funds. The experience of consolidation of hospitals with and without Training Fund experience offers insight into how participation in a multi-employer training fund affects a growing and changing health care organization. Additionally, the geographically expansive nature of the North Shore System provides an example of how the New York Training Fund has addressed the issues of unequal access and utilization of Training Fund benefits outside of the high density core of Fund employers in New York City.

#### ***Integrating the benefits of the Training Fund***

The merger of North Shore and Long Island Jewish facilities produced a number of difficult problems for integration of services. To manage the complexities of this process, the North Shore System and 1199SEIU embarked on a series of collaborative activities to manage operational changes with a minimum of disruption to patient care. This experience led to a continuing collaborative labor-management approach to organizational development activities to achieve strategic goals. Drawing on funds and expertise from the Labor-Management Project, one of the companion funds to the 1199SEIU Training Fund, North Shore has engaged at all levels with the union, effectively leveraging the labor-management approach to training and education to manage change and growth and improve quality.

North Shore's acquisition of hospitals has meant that historical competitors have had to learn to be part of one larger system despite often very different cultures regarding their emphasis on training and education. The negative consequence of this variation for both employer and workers became evident when layoffs occurred after acquisitions, and employees in some cases were not qualified to move into comparable jobs in other facilities. The disparity in qualifications raised the importance of synchronizing educational opportunities for all employees. To this end, North Shore has relied on its participation in the 1199SEIU Training Fund, the Job Security Fund and the Labor-Management Project Fund to build an integrated approach to skill development and career advancement for 1199SEIU workers. North Shore strives to be a "learning



organization” that is continuously improving quality, levels of expertise, and service delivery from each employee. Labor-management collaboration is a key strategy in this endeavor. As Rebecca Gordon, vice president of employee and labor relations at North Shore comments “We learned early on that the union has great ability to effect change, and we chose to look for a collaborative strategy wherever possible. As we integrate new hospitals, we have to bring them into that culture.”

At the same time, the North Shore system has upgraded the educational benefits it offers to the non-union work force who don’t have access to the Training Fund to keep learning opportunities and skill levels comparable across the system. When specific skill training is needed for a group of workers that are both union and non-union, as was the case with a medical records group, North Shore utilized grants from the Training Fund to design and deliver training to 1199SEIU members and operated a mirror program for their non-union employees. North Shore has made a commitment to 1199SEIU to foster union growth and in turn the union has made a commitment to collaborate in performance improvement activities.

With assistance from the Labor-Management Project, North Shore and the union have developed labor- management committees in facilities to work on operational issues such as clinical integration, patient satisfaction, and reduction of supply and equipment related operating room delays. North Shore’s corporate learning center, the Center for Learning Innovations, invites 1199SEIU labor-management project facilitators to participate in its activities. Throughout the system 1199SEIU delegates regularly attend a number of management meetings. A council of union and management leaders from across the facilities, the Tri-Team, meets regularly to consult on how to best support local performance improvement projects and develop new collaborative opportunities.

### ***Improving Access and Utilization of the Training Fund***

Although North Shore has its own vigorous learning strategy for its facilities, participation in the Training Funds is a critical component of their activities. The ability of the Training Fund to leverage their investment of training dollars into larger programs is a valued benefit. North Shore is able to rely on a steady stream of educational programs, even when other hospitals are cutting training budgets. This continuity of educational offerings is important to maintaining the continuous improvement of North Shore operations.

For North Shore, there is an advantage in improving the overall level of qualifications of workers in the region. The joint governance of the Training Fund means that employers have direct input into the types of training offered by the Fund and can also help to



shape the direction of health care education from an industry perspective. Gordon sees a change in both the applicant pool and incumbent workers in the past decade. Workers are more willing to shift jobs to advance their careers and less concerned about a single career ladder in one facility. This makes an industry-wide effort to synchronize health care education in the region all the more important.

The far-flung locations of the North Shore system's hospitals raise an issue the Fund has had to face as it attempts to ensure equitable utilization of education opportunities. Staten Island University Hospital, one of the North Shore System employers, is geographically isolated from the rest of the North Shore System facilities. As a member of the Fund before joining North Shore, the facility had historically had low utilization rates of training fund monies and offerings. This concerned the labor and management partners at North Shore and at the Training Fund.

The Fund's experience over the years demonstrated that conducting programs on-site or placing learning facilities closer to where eligible employees live and work was an effective strategy for increasing utilization, especially in the pre-college programs that are the pipeline to nursing degrees. While the Fund had sites in Manhattan, Brooklyn and the Bronx, none of those locations were convenient for Staten Island workers. Would a site on Staten Island help with utilization? The Board of the Fund is reluctant to consider opening sites where there is low density of 1199SEIU members, and low utilization, such as on Staten Island, and it would have been hard to convince some employer Board members to spend employer contribution funds on a Staten Island learning center.

To address this need, working with North Shore, the Fund was able to identify grant funded programming for Staten Island University Hospital to rent a learning space in an unused facility very close to the hospital to make it easier for employees to have access to Training Fund educational support offerings such as college preparation. When the grant funding ended, it was clear that the learning center educational facility was so successful for Northshore's Staten Island University Hospital and other 1199SEIU members utilization on Staten Island, that it made sense for the Fund to continue operating the learning center.

The Staten Island Learning Center start-up process is a good example of the benefit of sharing financial risk across employers. Seeding a learning center site with temporary funds increased utilization on Staten Island overall, justifying keeping the site open for the future for college preparation programs that will increase the number of workers who can enter degree programs. The site will also be used for other Fund benefit services



to help create the “learning community” environment that has been successful in improving retention and completion in pre-college programs elsewhere in the City.

At Long Island Jewish (LIJ), a similar problem with low utilization of pre-college programs was solved in a different way. While Long Island Jewish made good use of the funds it received through grants secured by the Training Fund to offer skill training for upgrades, its pre-college programs were difficult to sustain, thus limiting the number of workers who could advance into degree programs and positions. The hospital’s location meant that workers from LIJ had to travel to New York to participate in open enrollment programs, and when cohort programs were offered on-site, it was difficult to get a sufficient number of people enrolled. Instead of opening a learning center, the Fund contracted with local colleges to enroll a guaranteed number of 1199SEIU students in a set of open enrollment courses. This allows the Fund to extend the cohort learning approach it has used successfully with the HC4 curriculum and other programs into the college environment. Counseling and tutoring services will support cohorts of students. This integration of students from LIJ into the colleges opens potential for more exchanges between the colleges and LIJ such as the sharing of nurse educators and clinical experiences.



### **The Seattle Fund**

One of the newest SEIU joint training funds, the SEIU Healthcare 1199NW Multi-Employer Training and Education Fund, has been in operation for only two years. During contract negotiations in April of 2009, 5 Seattle area hospitals partnered with SEIU Healthcare 1199NW to form the Seattle Multi-employer Training and Education Fund. The Seattle area is home to nearly 20 hospitals and medical centers, many of them serving small, regional areas. SEIU Healthcare 1199NW, a statewide local of the Service Employees International Union, is the largest health care union in the region. Across Washington State SEIU Healthcare 1199NW represents more than 22,000 service and maintenance workers, technical workers and nurses in acute care hospitals, medical clinics, mental health centers, and state healthcare facilities. The union bargains with individual employers to sign local contracts for its members. In the Seattle area, SEIU Healthcare 1199NW represents workers in King County and Snohomish County acute care facilities.

The hospital partners currently in the fund are Swedish Medical Center, Northwest Hospital and Medical Center, Highline Medical Center, Stevens Hospital (now merged with Swedish Medical Center), and Valley Medical Center. The hospitals, both public and private not-for-profit, vary in size from 200 to 1200 bed medical centers, with a range of SEIU1199 members from approximately 500 to more than 4000. Combined, over seven thousand union members across the partner hospitals are eligible for Training Fund benefits. The union hopes to recruit at least two new hospitals to participate in the fund in the next few years.

The Training Fund, like most SEIU based joint funds is set up as a Taft-Hartley fund, governed by a Board of Trustees from the union and employers. Eligibility, benefit levels, and service commitment guidelines are set by the Board and described in the plan document. Benefits provided by the Training Fund currently include tuition assistance, reimbursement for Continuing Education Units, and career counseling.

### ***Negotiating the Training Fund***

At least two forces over the past decade in the northwest Washington regional healthcare labor market intersected to help spur the creation of the Training Fund. First, there was strong interest from SEIU Healthcare 1199NW union members in career mobility and the union had made career development a goal in both bargaining and its nursing advocacy role. At the same time, there was both an existing and projected shortage of nurses and other professional and technical health care worker to fill positions. While there is a respite from nursing shortages at the moment, in 2005 the projections of 25,000 nurses needed in Washington State by 2020 created a sense of



urgency among healthcare employers and the union for better career development processes.

Recognition of the need for a new approach to healthcare career advancement was not by itself sufficient basis to propel the parties to joint action. There was little history of collaboration between hospitals, or between hospitals and their unions, on career development in the Seattle area. SEIU Healthcare 1199NW set out to change that in the mid-2000's and began bargaining hospital by hospital for local joint Training and Upgrade Funds to be established for employee education and career development. Four hospitals negotiated local funds with SEIU Healthcare 1199NW. In 2005, Swedish Medical Center agreed to a 2 year fund for the service workers bargaining unit, with \$35,000 per year available for tuition reimbursement. In 2007, Valley Medical's two year fund allocated \$40,000 the first year and \$60,000 the second year. Highline's fund specified 1% of payroll for its service workers unit, and Stevens established a small fund that covered both service and maintenance workers and the technical professional unit. The hospitals each also maintained their own tuition reimbursement funds open to all employees.

In their first few years of operation, the local funds had relatively positive utilization. Three of the hospitals, Swedish, Highline and Stevens, set up labor-management committees to develop guidelines for fund operations. Swedish had the highest usage of their fund, in part because the labor-management committee at Swedish took a proactive approach to developing a career advancement program. Their work together built on their experience in 2004 when Swedish and SEIU Healthcare 1199NW, as part of their work in the Healthcare Career Advancement Program (H-CAP), a national network of hospitals and SEIU local unions, partnered on a partially grant funded LPN to RN education program. The grant required them to work together to plan and oversee the program. They learned about the need for various forms of support to help working adults overcome some of the barriers to enrollment and completion of education programs. This experience led the labor-management committee for the training fund to hire career counseling expertise as part of their local fund activities, which led to Swedish having the highest utilization of fund benefits among the hospitals. Swedish, along with SEIU Healthcare 1199NW had also been among the founding members of H-CAP.

According to Diane Sosne, president of SEIU Healthcare 1199NW, despite, or perhaps because of this promising start with joint training funds, it was becoming clear to both the union and employers that the individual funds in each hospital had limitations. First, because these funds while jointly managed did not exist as separate, incorporated organizations, there was no direct way to tap into state and federal dollars for training or



career development grant opportunities, which meant a missed opportunity to leverage their private investment of dollars in training with public investment.

Second, the tuition reimbursement model in use meant that employees had to have enough money to pay tuition and expenses and wait for reimbursement, thus limiting participation. Third, as surveys and focus groups showed, adult learners working full time were sometimes reluctant to take advantage of the educational opportunities offered by the fund for a number of reasons, some of which were related to difficulty accessing and navigating the traditional college environment. Finally, the traditional relationship between hospitals and local educational providers did not easily lend itself to accommodating the varied training needs of individual hospitals and incumbent workers, including non- traditional scheduling, on site classes, cohort group classes, etc.

Sosne began discussing with hospital administrators the potential benefits of pooling the money in the individual Training and Education Funds. The individual hospitals and workers were all experiencing similar difficulties, and concluding that the individual tuition assistance model was not adequately meeting the needs of either the hospital or the workers. If hospitals were to form a shared training and education fund, could it provide a more effective vehicle for addressing some of the barriers to higher enrollment and completion of educational programs that individual hospitals were experiencing? How would a combined fund help with issues in teaching location, teaching modalities, content and sequencing of courses, career counseling and case management, and balancing employee work schedules and child care needs with their educational pursuits?

At the same time, the Washington State Hospital Association and SEIU Healthcare 1199NW had partnered to approach the Washington State Legislature with a proposal to use the potential of multi-employer partnerships to expand incumbent worker training for healthcare workforce development. A selling point for the proposed “Hospital Employee Education and Training” (HEET) program was the value of leveraging public dollars with private funds to create an economy of scale that would allow regional hospitals to offer workforce development programs that would otherwise be cost prohibitive. (Moss and Weinstein, 2009) Swedish Medical Center along with Valley Medical Center and Highline Medical joined with the union and a local Technical College to submit an application and was one of five proposals to receive funding in 2008 through the HEET 1 grant. The union and the additional 2 hospitals that eventually joined the multi-employer training fund (plus one additional hospital) created partnerships with 2 other Community and Technical Colleges. These partnerships also received grants, making the SEIU Healthcare 1199NW and employer labor-management collaboration the center of 3 or the 5 grants awarded in the state. The



demonstrated labor-management cooperation that a multi-employer joint training fund represented was a significant factor in receiving these grants. It was an early successful outcome for this multi-employer labor-management partnership in formation.

With contracts set to expire in SEIU organized hospitals on June 30<sup>th</sup> 2008, SEIU Healthcare 1199NW, along with the management from Swedish Medical Center organized an “in-service” for hospitals and local union bargaining teams in early spring to learn about the opportunities for a multi-employer joint labor-management fund. They invited the directors of New York and California SEIU joint funds to speak to the group about their experiences and outcomes. The director of H-CAP, along with H-CAP board members from Swedish Medical Center described what they had learned from other multi-employer initiatives for incumbent worker education and career ladder mobility. The information spurred a local group of hospitals to continue discussions and a consensus developed to negotiate a labor-management multi-employer training fund for the Seattle area.

In April, 2008, ahead of local bargaining, SEIU Healthcare 1199NW and 6 employers started the joint fund bargaining process. The hospitals and the union agreed to negotiate on the joint fund together as a separate bargaining issue before they engaged in their regular, local bargaining agenda. If they were able to reach an agreement on a structure for the joint fund, their proposal would be brought to local negotiations between the union and management in each hospital, where the bargaining teams would have to decide whether to include it in their contracts. Furthermore, while the HEET funding had not yet been awarded, a decision at the state level to fund labor-management healthcare sector partnerships in collaboration with local Community and Technical Colleges had been announced. The possibility of leveraging these new grant funds was a support to the negotiations as well.

The tone and structure of the bargaining process over the training fund reflected the collaborative nature of the joint training fund concept. SEIU Healthcare 1199NW local bargaining teams sat with their employer bargaining teams and together each hospital’s labor-management local bargaining team participated in the negotiations over forming the multi-employer joint training fund as individual stakeholders. Only Diane Sosne, the president of SEIU Healthcare 1199/NW represented the entire union across the table from hospital attorney negotiators. Together, the five hospitals and local unions and the SEIU regional council agreed to a proposal to establish a Taft-Hartley labor-management trust fund to which all employers would contribute.

CEOs from Swedish, the largest healthcare employer in the region and from Northwest, one of the smaller hospitals, had been strong supporters of the concept from the



beginning as well as leaders in the negotiation process. Swedish was on board from the start as they had already had a positive experience with their joint training fund and grant funded training. Northwest Hospital and Medical Center also saw a strong advantage in leveraging their funds with other employers to increase their training offerings. Both helped to set a positive, “win-win” tone in the negotiations and bring together employers who had little history with multi-employer collaborations.

Since the employers differed greatly in the size of their workforce, and since some hospitals had already bargained contribution amounts in their local funds in the previous contract, along with tuition assistance amounts, they had to devise a formula for contribution amounts to the new multi-employer fund that would be workable for all. The tone of discussion was less positional than was usually the case, and the parties focused on fairness and inclusion in answering the question of how to credit employers for money they had already contributed to their local funds and how to keep the fund formula one that everyone could afford. The smaller hospitals had concerns that the size of Swedish workforce, by far the largest, would mean that they would use a disproportionate amount of fund dollars, or otherwise dominate the training agenda. For their part, Swedish wondered whether they would get full use of the relatively larger amount they contributed. The final agreement arrived at a 1% of gross payroll contribution for service worker and LPN SEIU members, and .5% of gross payroll for nurses and technicians. The differential contribution came from a shared desire to get more service workers in training for career advancement. One hospital dropped out of the negotiations because of financial concerns but the remaining 5 hospitals were satisfied with the conceptual framework and the contribution formula.

The resulting proposal for establishment of the fund was then taken to local negotiations as a joint proposal from both labor and management. The proposal included only minimal language that would authorize the establishment of the fund and contribution amounts. It was agreed that principles, a vision statement and fund operation logistics would be discussed when the formal trust fund agreement was drawn up after bargaining. The parties had already seen such trust fund agreements from the New York and California funds, were familiar with the components and didn’t anticipate difficulty creating their own trust agreement.

Although the bargaining over the fund was highly collaborative, there was still some tough negotiation on other issues in local contracts. However, from the both union and employer reports, the existence of the fund agreement possibility helped to keep local bargaining on track to finish in a timely fashion in order to get the funds started and keep the opportunity for HEET program funding open. In contrast to past negotiations where contract negotiations often extended well past the deadline and resulted in



picketing and public action, the contracts were settled more quickly and less contentiously.

When all local bargaining was concluded in August, 2008 with a 3 year agreement, training monies from the previous contracts were shifted into the trust for the fund, and it started to collect new contributions from employers. Overall, the Multi-employer Training and Education Fund currently have a higher level of funds and benefits available than the previous single employer funds. The board of trustees began to craft its trust fund agreements and explore how it wanted to allocate its funds. With assistance from the 1199 SEIU Training and Employment Fund (New York City and State, Maryland, DC, Massachusetts) and the SEIU United Healthcare Workers West Joint Employer Education Fund, they were able to learn best practices and make decisions about eligibility, benefit levels, supporting services, and fund operations.

### **SEIU Healthcare 1199NW Multi-Employer Training and Education Fund Vision**

- Addressing healthcare personnel shortages
- Using an underutilized resource – the incumbent healthcare workforce
- Effective and efficient responses to changes in skills and competencies needed for quality care
- Investing in quality through an investment in the incumbent workforce

### ***Organizing Fund Activities and Operations***

The Seattle fund encompasses a variety of worker classifications in one fund. With the exception of one hospital, Northwest, where RN's are in a separate union, service and maintenance workers, technical workers, LPNs, RNs and professionals are all SEIU Healthcare1199NW union members in each of the participating hospitals. Each category of workers, registered nurses, technical and professional workers, and LPN and service and maintenance workers have a segregated sub fund for their negotiated contributions under the overall Training Fund, which is overseen by one Board of Trustees. The “plan document” which specifies benefits, eligibility, and service commitments is designed by the Board. The Board can change tuition assistance levels to reflect different priorities over time, including providing differential levels of benefits for degree and program classifications.

Currently, participants are eligible for tuition assistance up to \$5250 per year and \$300 in CEU reimbursements. Both full and part-time regular employees in each SEIU



bargaining unit are eligible to participate, with benefits pro-rated for part time participants. Temporary, per diem/on call employees and students are not members of SEIU and not eligible for the benefit. A service commitment is also required from participants in exchange for tuition assistance for either 1 or 2 years dependent on the amount of assistance received. Some caveats to this policy support employees who complete training that make them eligible for upgraded positions but are unable to find an opening commensurate with their certification at their sponsoring employer or other Fund partner employers.

For the 2010-2011 fiscal years, the fund will have approximately \$2.5 million available for 8000 workers. A portion will be set aside for tuition assistance, case management and career planning services based on historical use and expenditures. The Board also decided to use a portion of the contributions in the fund to hire an Executive Director for the Training Fund, who is responsible for both day-to-day operations as well as working in collaboration with the Board to pursue new training grant opportunities, coordinate with colleges, and design and implement measurement and assessment processes. By the 2010-2011 fiscal year, the Training Fund also employed 3 full-time and one part-time case manager to do intake, counseling, assessment of training needs, issue vouchers, monitor progress of students, provide tutors and otherwise manage the needs of the students and hospital. The case managers are assigned to hospitals based on the size of the participating staff-students and are on-site in each hospital facility 1 to 2 days a week. As activities expand, the Fund will likely hire more case managers. The Training Fund is also responsible for promoting its programs and striving for maximum participation so that employers and workers get the full benefit of the monies set aside for education.

The fund began official operation in July, 2009, beginning with nearly 450 students enrolled in degree programs across the 5 hospitals by the end of the year. These workers enroll in courses with tuition vouchers provided by the fund, in place of the tuition reimbursement process of the past. In the first year of operation, the fund received over 1000 new applicants for tuition vouchers in addition to the ongoing participants. With such high interest, the fund may in the future need to consider whether to put a cap on the number of participants each year or negotiate a higher contribution rate from employers. An alternative is to supplement the negotiated funds with additional funds from grants for short term or one time programs. Such additional grant monies were already in place when the Fund began operation through employer partnerships with local educational providers, who are the fiscal agents for the grants provided through HEET 1. In 2008, five proposals received funding through the HEET grand program, and Training Fund employers in partnership with SEIU Healthcare



1199NW accounted for 3 of the successful grantees. The grants were awarded based on the ability of applicants to show that their program would demonstrate an active labor-management partnership, ability to address the needs of adult learners, and provide matching support in the form of money or in-kind contributions. (Moss and Weinstein, 2009). A second round of HEET grants (HEET 2) has involved fund employers in the current fiscal year, and a third round will begin soon.

In the future, the Fund will also apply for grants on its own as a fiscal agent. In the meantime, the experience of building new relationships with educational providers to make the HEET programs a joint effort with the Fund has been a learning experience for all. The educational providers have long had direct relationships with the participating hospital employers who provided placement opportunities, internships and clinical experiences for their students. The HEET grants primarily use a cohort model of education that relies on close collaboration between hospitals in the Fund, the union and between the Fund and the educational providers. The Fund members who participate in the grant have project coordinating committees engaging the labor-management partnership with the educational provider to coordinate the scheduling of classes, design of delivery, and eligibility and recruitment. The Fund is now the representative entity for both employers and labor in these partnerships. It is a new experience for educational providers and hospitals to take a collective approach. And, for the first time, there is also union leadership at the table participating in discussions on future and current needs for the industry and for workers.

As described, the Seattle Fund was actively pursuing grant funding for a variety of future programs from its conceptualization. During the 2008-2009 fiscal year, as the fund was being negotiated and set up, Fund partners participated in a \$1.5 million competitive grant funded training program (HEET1). By July of 2009, fund partners had expanded their grant funding to a cumulative total of \$4.5 million. Fund employers currently participate in a \$4.6 million Energy Training Partnership grant awarded to H-CAP from the U.S. Department of Labor (ARRA funding) for training up to 400 environmental service workers in green cleaning, energy and waste monitoring practices. Seattle is one of 4 regions around the country that will benefit from the national funding. Led and administered by the Fund, Northwest and Swedish and SEIU Healthcare 1199NW are participating with North Seattle Community College to implement the national program. An additional new \$2.5 million grant from the U.S. Department of Labor as part of the American Recovery and Reinvestment Act will fund an on-line associates degree in nursing for 24 competitively selected participants each year for the next 3 years. Funds from the grant will also support another 24 people per year with individual tuition grants for nursing degrees.



In addition to maximizing training and education opportunities the Board and the Fund director also have plans for making it a venue for sharing best practices between employers and educational providers, and for learning from institutions elsewhere. In this effort, they are already assisted by their participation in H-CAP, the national network of labor-management partnerships for healthcare incumbent worker training.

### ***Next Steps***

The Fund is now in the process of creating measures for processes and outcomes. One major goal for the Fund is to effectively utilize its funds to increase the number of workers who are able to move into nursing and other critical shortage areas. Measures such as enrollment, completion rates, and length of time to achieve a desired degree will yield some general insight on whether funds are being utilized effectively, and by whom. However, there are issues that will complicate the utility of these measures. For example, in Washington State there can be wide variation between educational institutions in the number of credit hours required to achieve some degrees. The Fund will have to develop a means to track the differences between credit-bearing programs in order to understand whether the differences affect completion rates, success in passing certification exams, and placements. As the Fund's Executive Director, Clytie Causing notes, the existence of the Fund and its ability to gather data on its participants to assess these issues will help to raise questions about how to better rationalize educational and certification requirements with fund educational partners and other stakeholders in the healthcare industry. Causing believes the Fund is uniquely positioned to ask and help to answer questions about where the "patchwork of training and certification is going. Is it good for workers? Is it good for employers in terms of providing workers with useful skills?"

A second area for assessment will be on the Fund's goal to expand access to education to working adults in low-wage jobs, some of whom vary considerably from the populations colleges usually serve. They are less likely to be high school graduates, are working full time, and may have a number of family responsibilities. The fund will have to develop measures to assess whether their efforts to support these workers as students are having the desired effect. Why do they dropout? What keeps them from enrolling? If they fail exams, what are the contributing factors?

The experience with the HEET grants will provides an opportunity to evaluate a variety of training modalities, support services, and educational components. Initial data from the HEET 1 grants show a high retention rate of students in the program (above 90% and 100% in one program). H-CAP evaluations of HEET participations also show that incumbent workers from Training Fund hospitals have pass rates and grade point



averages at or above the larger college population. (Health Career Advancement Program, 2010).

As important as retention and completion rates are, the HEET grant experiences have provided invaluable experience in how to conduct outreach, support, and develop processes for continuous feedback and improvement to improve program delivery. A recent survey conducted by H-CAP of HEET participants identified barriers to participating in education for incumbent workers and critical supports necessary to successful completion of courses. This data will help the Training Fund to plan their growth and target grant funded activity appropriately. HEET participants reported that the most critical supports for succeeding in their courses were the existence of a case manager to help them navigate the college processes of applying for financial aid, registering for classes, and arranging tutoring or other assistance. The students highly valued career counseling to help them choose the best path in their course work. Participants also cited the need for courses that were offered on-site at the hospital, while downplaying their need for online courses, suggesting that the ability to be able to attend classes directly before or after working hours without travelling is an advantage for working adults. (Health Career Advancement Program, 2010)

As the Fund develops more collaborative experience, both union leaders and employers interviewed report that they are hopeful that the skills they develop working together on the Board and in local hospital programs will translate into better labor-management relations overall. The union has provided substantial support from its own staff for outreach and recruitment into the initial Training Fund activities, including the HEET grant programs. From the union's perspective, employers have been easy to work with, providing space at hospitals for classes and clinics and helping to rearrange schedules for employees to get off work for classes. The first year of the HEET grant at Northwest provides an example of the kind of outreach assistance the union was able to provide in the short time period available to get the program off the ground. The grant was targeted at CNA's interested in moving into lab technician positions and eventually into nursing careers. At Northwest, this included about 80 eligible employees. The local union and employer jointly designed a survey of eligible employees to assess their interest, educational background, and any barriers they anticipated to participation such as English language skills, comfort with computers, or personal circumstances. The union was responsible for distributing and collecting the surveys which helped to raise employee comfort level with the process. Almost 90% of the surveys were returned. The most frequent obstacles cited were work schedules, family responsibilities and day care arrangements. (Moss and Weinstein, 2009)



Northwest and the union worked together to find ways to address the scheduling issues that the survey results indicated might keep some employees from enrolling or successfully completing the education program. The HEET grant provided money for student stipends, which allowed the hospital to hire replacement workers for students while they took courses, thus freeing up more scheduling options. However, requirements for completion of clinical hours were significant and difficult for employees to complete on their own time, which is typically the practice. The union lead organizer, Bob Downing, notes that Northwest was committed to finding a scheduling fix that allowed students to do their clinical hours on work time and be paid for them and graduate with the clinical experience to move into new positions. As a result, the hospital had enough participation in the first year of the HEET program to use all the monies available to them. This kind of collaboration has improved the union's overall relationship with the hospital and helped the hospital management to see the union as a useful partner. Downing notes that union delegates in the Fund hospitals experience an increased level of mutual respect between the union and employer in dealing with day-to-day issues.

Looking to the future, the Training Fund board also sees a potential need for a college readiness program for adult workers who have been out of school for an extended period, or who did not complete high school, especially immigrant workers. Such a program might include preparation for placement exams in reading and writing, and English as a second language.



### **Seattle Case Study: Northwest Hospital and Medical Center**

Northwest Hospital and Medical Center is a 281 bed regional hospital located in North Seattle, employing over 1900 staff. Like other hospitals in Washington State, over the past decade Northwest has been concerned by the rising and consistently high vacancy rates in key nursing and allied health occupations, and projections for a severe future shortage. While currently non-clinical job vacancy rates are down, nursing, physical therapy and occupational therapy vacancies remain high, and the need for staff in all areas is expected to explode as the economy rebounds. (Health Work Force Institute 2010) The hospital's assessment in their own facility of the effect of the coming healthcare worker shortage and the aging workforce, combined with the evidence showing similar regional shortages increased their interest in looking for collaborative options to train incumbent health care workers. They had also experienced their own acute shortage in trauma care and were eager to increase the pool of trained workers in the region. Various Northwest hospital administrators over the past 10 years participated in community task forces organized by municipal governments and hospital associations to discuss how to increase collaboration between industry, unions, and educational providers to help employees work and go to school.

While the hospital had long provided tuition assistance and other training for nurses to advance their skills, in 2005, Northwest began providing tuition reimbursement to a broader group of employees beyond the nursing staff. Employees who had worked at least 24 hours per week for six months in the designated job categories and were willing to commit to working two years after completion of a formal program through an accredited provider were eligible to receive the funding for training in job skills that would benefit the hospital. Twenty-three people took advantage of the tuition reimbursement but only half had graduated during the four year period. For newly graduated nurses, the hospital also offered 12 or 18 weeks of training to move into a needed specialty. Experienced nurses were eligible for various 2-3 week programs in specific skills such as preceptor training, and for partial tuition reimbursement for degree programs.

The training benefits were offered directly to employees as a benefit from the hospital, rather than as part of the union contract. In 2002, SEIU Healthcare 1199NW organized non-RN employees at the hospital; Northwest RN's and radiology staff are not members of the SEIU Healthcare 1199NW union. The hospital and its new union found it difficult to negotiate and tension built. At one point, a decertification campaign was started but did not reach a vote.



### ***Joining the SEIU Healthcare 1199NW Multi-Employer Training and Education Fund***

Though they were already providing funds for tuition reimbursement for non-nursing staff, Northwest hospital administrators welcomed the opportunity offered through the establishment of a labor-management multi-employer training fund to advance their desire to see incumbent workers move up within the hospital.

Northwest administrators were early champions of the Training Fund approach, and the CEO of Northwest was a leader in the negotiations to establish the Fund. Two aspects of the Training Fund approach were particularly attractive – the participation of the union as a representative of workers' needs and the enlarged range of training modalities and venues possible with multiple hospitals pooling their resources and potential students.

The move into the Training Fund represented a significant increase in the amount of money the hospital invests in education, almost quadrupling the amount it allocated previously overall, and expanding the range of employees who are eligible to participate. Northwest administrators have considered the potential risk that the hospital will not get the full benefit of this investment if enough employees at Northwest do not take advantage of the opportunity, while employees at other Training Fund hospitals do. Even if this occurs, they believe the cost may be balanced by the expected savings from having an educated supply of employees inside the hospital to move into areas with shortages, thus avoiding the costs of hiring from the outside. So far, they view the increased investment as a win-win for the hospital and for employees, who now have access to more educational opportunities and will hopefully feel more valued by the hospital and stay to move into better jobs that they may not have been able to afford to train for previously.

By joining the Training Fund, Northwest employees will now have access to counseling and assistance to help them complete degree programs that the hospital would have had a difficult time providing on its own. And, continuing education units will also be covered by the Fund, which the previous tuition reimbursement did not cover. If more employees complete degree or certification programs as a result, hospital administrators are confident it will increase the value of the workforce overall. However, there is a concern for the longer term that if employees do graduate and there is no upgraded position immediately available for them they may go elsewhere, or may find higher wages in another hospital. Despite these concerns, retention will not be the main measure for assessing the value of their increased investment through the Fund in the short term. Employee utilization of the fund and completion of courses for career progression is more important for now.



### ***Benefits of the labor-management multi-employer approach***

The experience of negotiating the Training Fund has improved the relationship between the hospital and SEIU Healthcare1199NW by clarifying that they share some overall goals – to improve healthcare delivery and career opportunities for employees, which has helped to open up opportunities for more collaboration with the union in other areas. Another immediate and substantial benefit of joining the Fund has been the increased leverage of a larger group going after state and federal funds for training. From the hospital's perspective, the leadership of SEIU Healthcare1199NW has been critical in this endeavor. So far, Northwest has participated in two large training grants, one from the state of Washington (HEET 1 and2) and one federal grant (awarded to H-CAP and sub-awarded to the Fund) for environmental service workers both of which were strongly pursued by the union.

Gayle Ward, VP for Clinical Services at Northwest comments that the partnership with the union has also been a big advantage in building better partnerships with educational institutions. The multi-employer fund brings greater influence with educational providers to get them to consider adjusting their thinking on how to deliver education that accommodates the needs of adult learners who are working full time. SEIU Healthcare 1199NW has been a strong and valuable partner in representing employee needs across facilities in collaborative discussions with colleges.

A second advantage of the multi-employer partnership from the hospital's perspective is the ability to take a cohort approach to specific education programs. Smaller hospitals like Northwest can rarely amass enough students at a time to make up a class size sufficient to partner with an educational institution to carry out needed training. Even when educational institutions are able to offer open enrollment training based on identified needs across hospitals, the success of these courses are dependent on sufficient numbers of individual employees enrolling and completing them in a timely fashion.

The cohort approach helps to encourage students to complete training by having a clear start and end time for the workers engaged in the training. It also allows for scheduling that meets the needs not only of the workers engaged in the cohort as well as accommodating the work schedules in the departments they come from – a benefit to the employer and the worker as student... The cohort approach has an additional advantage in that it helps to motivate workers to succeed in education by providing a large group of workers with common employment experience who serve as supports to each other. That bounded commitment, combined with the ability to provide more intensive and extensive supports to students from among their peers and from Fund case managers for a specific period of time, has eliminated some of the barriers that



were noted in the H-CAP study – including scheduling, negotiating the college system, and personal/life issues. The cohort approach also builds momentum toward an educational culture inside individual hospital facilities. When one cohort group succeeds in completing their program, it inspires future groups.

### ***Supportive structures and relationships***

Participation in the HEET grant brought to the fore the sort of adjustments that are necessary to support both intensive cohort education and an overall emphasis on employee education. The grant had to be put in place very quickly and required both supervisors and peers to accommodate the scheduling adjustments necessary for the first cohort of students to participate. It raised the challenge that will occur if demand for education starts to outpace the ability to supply it, because the Fund can't afford it or the individual hospitals cannot accommodate it. The momentum and cultural emphasis on education and advancement could suffer as a result, and employees might be less willing to support each other, or partners in the fund might all want their share of a scarce resource, threatening collaboration and mutual support. Northwest managers, while citing this possibility as a good problem to have, noted that it requires them to continue to diligently support a culture of education, as well as remain actively involved in efforts by the Training Fund to gain grants and other outside sources of funding. ...

The recent grants and the formation of the Training Fund have helped the hospital strengthen an already positive relationship with North Seattle Community College and the University of Washington. The benefits to the hospital have been substantial, including specialized, on-site training for skill areas particular to Northwest's workforce. The colleges have also received a benefit from the increased engagement of union and hospital on training and education. The strengthened partnerships have allowed them to expand the number of students they can serve with limited classroom space on campus by offering more courses at the hospital. This in turn helps the colleges maximize their resources for regional workforce development and may increase their ability to generate income to increase faculty.

The new relationship with colleges has also required the hospital to rethink how they use their other investments in employee training. For instance, Northwest opened a simulation center in the hospital in 2009 to help with on-the-job training. Facilitated by the relationship developed through HEET, the hospital worked with the community college to make sure the services they provide through the center were complementary to the college's resources, rather than duplicative. This sort of opportunity has strengthened the hospital's relationship with the college and started discussions about how to further complement each other's activities. The Training Fund Board activities



have provided a venue for this sort of exchange and allowed more strategic thinking about the potential nature of the relationship between educational providers and employers. While colleges in the past have been reluctant to change practices that they believed had historically helped them to maintain the level and quality of education they provide, they are now more open to examining how their traditional structures may prevent working adults, especially entry level employees with few educational credentials for healthcare careers, from accessing education for advancement.

### ***Assessing the Training Fund Investment***

When it comes to assessing the value of training dollars committed the Training Fund, Gayle Ward, and VP for clinical services at Northwest comments that there are both monetary and strategic outcomes to be factored into an on-going evaluation of “is this the right thing to do?” The most important measure of the value of the hospital’s financial investment in education will be the hospital’s ability to fill positions. Northwest will be assessing whether the ways in which they are investing their training dollars through the Training Fund and through their own tuition assistance and training address both specific and overall shortages in filling positions. Ward explains: “If we’re paying for employees to go to school and I still can’t fill phlebotomy positions and have to set up a training myself to fill them, we would go to the Fund to say this is a problem” and work to look for solutions.

They will be also be assessing whether the number of employees in school correlates with better outcomes on other staffing measures the hospital monitors, such as turnover, vacancy and employee longevity. The HEET grants provide an opportunity to follow a cohort over the next few years to assess the impact of the training on these measures, both on average and for individual employees. The Training Fund itself will also be developing measures, including some that assess whether its expenditures on college readiness programs and college pre-requisite courses affect employee enrollment in and completion of degree programs.

A second area of assessment for measuring the value of participation in the Training Fund Board will be its contribution to Northwest’s strategic direction. The Training Fund board’s emphasis on positive labor-management relations and focus on employee advancement fits well with Northwest’s longer term approach. The Board’s continued operation as a collaborative and proactive body will be a point of evaluation for the future. Hospital director of human resources Linda Olmstead and Yvonne Vowell, manager of organizational development, already report an improvement in the overall union-management relationship in the hospital, due to demonstrated collaboration on shared goals such as the welfare of employees. Participation in the fund also helps the



hospital to continue to clearly communicate its vision and commitment to long-term employee advancement and retention. It demonstrates that the hospital's concern when it comes to employee education is not "if we're going to do it, but how we're going to make it successful".



### **Seattle Case Study: Swedish Medical Center**

Swedish Medical Center is the largest hospital system in the Seattle region, with three hospital campuses and an extensive network of clinics and services. Of the approximately 7000 Swedish employees, 4200 are members of SEIU Healthcare 1199NW in three bargaining units: nurses, technical workers, and service and maintenance workers.

Swedish Medical Center and SEIU Healthcare 1199NW began to partner on incumbent working training in 2004 when they engaged in an innovative LPN/LVN to RN training program funded by the Alfred P. Sloan foundation. The grant was coordinated by the Health Careers Advancement Program (H-CAP), a national partnership of hospitals and healthcare unions, of which Swedish and SEIU Healthcare 1199NW are founding members. The grant required them to work together to plan and oversee the training program, and to collaborate with other employer and union partners, an experience which prompted them to continue to explore additional collaborative opportunities for incumbent worker career advancement.

Swedish was the first employer in the Seattle area to bargain a joint training and education fund with SEIU Healthcare 1199NW in 2005. They agreed to put \$350,000 per year for 2 years into the contract for tuition reimbursement for their service and maintenance workers unit. In 2007, they established a training and education fund for use in both tuition reimbursement at educational institutions and other training activities, along with a labor-management subcommittee to help guide the fund's operation. The labor-management committee quickly saw that there was no simple way of assessing whether the fund dollars were useful to either the hospital or employees. The only measure of success available was fund utilization. The labor-management committee surveyed eligible union employees to find out what was preventing them from taking advantage of the tuition reimbursement benefit, interest in basic education and training in addition to college programs, and the career paths they were most likely to want to pursue.

Survey results indicated that the biggest barriers to enrolling in courses were logistical and financial. Workers reported they would be better able to utilize the training funds if there were on-site classes, especially those that could be held at the end of shifts. They were also interested in tuition vouchers that could be applied directly to colleges upon enrollment, rather than having to pay out of pocket for college courses and wait for reimbursement. Workers were interested in courses that would help them be more prepared for college, such as ESL, medical terminology, and math in addition to open enrollment college courses. The training fund began to implement the suggested



changes, contracting with Seattle Central Community College to offer some on-site courses that could be paid for with tuition vouchers. Over 100 people participated in the first 3 training programs offered on-site – an ESL course, a computer skills course, and medical technician training.

The survey results also revealed the need for career and education counseling to help workers plan their educational path to degree completion and navigate the enrollment process. The joint labor-management committee arranged for a local non-profit, TRAC Associates, to provide case management and counseling services, and to administer payments for education vouchers and book purchases. Utilization of tuition assistance from the training and education fund began to increase, as did general enthusiasm and encouragement from fellow employees for students enrolled in education programs.

### ***Joining the SEIU Healthcare 1199NW Multi-Employer Training and Education Fund***

Given the success of its labor-management partnership in utilizing local training funds, and the strong partnership already developed between Swedish and SEIU Healthcare 1199NW, there might not appear to have been a clear incentive for Swedish to pool resources with other hospitals in a multi-employer fund. Swedish was enthusiastic about the idea from the start, and a leader in the process to negotiate the multi-employer fund. Through their participation in H-CAP, they were exposed to the work of the 1199/SEIU New York Training Funds and had seen the benefits of a multi-employer effort, especially its ability to work closely with educational providers to customize educational programs to employer and worker needs. Swedish had learned through its experience in arranging for on-site classes that community colleges do not necessarily have much experience working directly with employers. While the Seattle Central Community College was very open to collaboration, they had to figure out how to conduct class's on-site, working around employee scheduling issues and managing the tension between their own educational mission and employer needs. The New York Training Fund had demonstrated how a multi-employer fund could build and manage on-going relationships with colleges.

Given the large proportion of dollars Swedish would likely contribute to the fund – more than 50% of the total -- there was some concern from Swedish managers about whether they would end up supporting smaller hospitals in programs they were already running effectively on their own. However, Swedish director of human resources, Joanne Suffis, believed the benefit in pooling resources to access larger amounts of funding from state and federal sources would likely outweigh any potential imbalance in contribution and utilization.



The multi-employer approach has already paid off as SEIU Healthcare 1199NW and partnering hospitals have been highly successful in accessing funds from the Healthcare Employee Education and Training (HEET) grants from the state of Washington. Swedish has participated in two rounds of HEET funding (HEET 1 and 2) for career advancement for entry level workers. In HEET 1, Swedish and 2 other hospital collaborated with area community colleges to train housekeeping and dietary workers for ED (Emergency Department) Tech positions while at the same time preparing them for entry to college with college readiness courses. In HEET 2, Swedish workers along with workers from the same 2 hospitals participated in a program to train workers for a Central Supply Certificate that also helped to fulfill some nursing and allied health pre-requisites for further education. Both programs had high retention and completion rates, addressed immediate employer needs, and invested in employees' further educational advancement.

### ***Benefits of the labor-management multi-employer approach***

Participation in the multi-employer fund has “made their dollars and time go farther” by allowing them to offer a larger number and variety of training opportunities and sharing the costs of counseling, administration, and planning. At the same time, operating a local fund required a large amount of time and work on the part of hospital employees, whereas the Training Fund can pool resources to hire a fund administrator and other staff to handle the majority of the work for all the participating hospitals. The multi-employer administrative structure is an advantage in a number of ways. It builds continuity of experience for applying for grants and for implementing them effectively. It also has the capacity for more systematic tracking of information and for working with colleges to improve transferability of credits and degree articulation. It is also becoming clear that the Training Fund is good for colleges as they gain an influx of incumbent worker students who already know what health careers are about and are dedicated to their studies. Initial evaluation of the HEET grant funded programs indicates that students from the HEET programs achieved higher grades than students in the general population. (Moss and Weinstein, 2009) From the employer's perspective, working closely with educational providers on grant funded projects has so far produced training of direct benefit to advancing employees at Swedish into needed skill areas. And, as new healthcare jobs arise, this model allows for faster, more focused design of new educational programs.

Management leaders at Swedish see the labor-management aspect of the Training Fund as a clear advantage. Union involvement in the local training labor-management committee and in the multi-employer fund at the board level means that the workforce more readily embraces participation in training. Knowing that both union and employer



are jointly supporting training and education creates a sense of trust and support that supports increased enrollment in training and education programs. Workers are less likely to question the motives of the employer and the union is able to stress the importance of the training funds as a benefit for members. Also, SEIU members at Swedish gave up some portion of wage increases in exchange for the training fund and so union members feel some fiduciary responsibility to use the benefit well. Even employees who do not need the educational opportunities are supportive of the Training Fund and encourage fellow employees to use it.

The existence of the fund has helped to build the labor-management relationship overall and had spillover effects in bargaining for the latest contract, where the tenor of negotiations was more positive. Although the fund itself and the employer contribution to it is a negotiated item, participation in the fund is not likely to become a “bargaining chip” in labor-management negotiations, in management’s estimation. It is a shared endeavor between union and management that is too valuable to both parties to be traded away. As evidence, bargaining during “2009 was about as difficult a year as it gets” says Suffis, with layoffs, freezes in the pension fund, and other cutbacks,” but the contribution to the fund was never in question.

The only tangible downside of participation has been the extensive time required of employer representatives on the Training Fund Board of Trustees in the start-up phase to develop policies and procedures to get the training programs operational. With the hiring of a professional administrator, this time commitment will likely subside.

### ***Assessing the Training Fund Investment***

The most important long-term factors for Swedish in assessing the value of their investment in worker training are attraction and retention, although at the moment Swedish has many fewer open jobs than a year ago and the turnover rate is low. However, that could change in the future and the hospital wants to be prepared. Similarly, Swedish doesn’t place a high value on improving the pool of eligible workers in the region as they are currently not competing with other hospitals for employees, but anticipate that could be an issue for the future. Immediate goals are to see enrollment and retention in Training Fund programs and future goals are to see people graduating and filling open jobs. They see this as part of their overall benefits package and hope it will be useful in attracting and retaining employees. As for measures, part of the value in being in a multi-employer fund is that they can develop collective measures in addition to their local measures of retention, and hopefully be able to compare themselves to other employers who don’t have the joint training fund benefit.



Another factor Suffis and hospital leadership will weigh is how to capitalize on the investment in incumbent worker training as an investment in building career ladders. In the first round of HEET grants, just prior to the Training Fund start-up, the workers who graduated from the ED Tech and Sterile Lab Tech programs faced a hiring freeze at Swedish. There will likely be openings in the future with the opening of a new hospital facility in the Swedish system but this experience raised the importance of considering business needs in deciding what training to offer and what training funds to pursue as well as their level of confidence that they will be able offer upgraded jobs to graduates in a reasonable time frame. Participation in the HEET 2 grant through the Training Fund has meant they also have to take into consideration the business needs of other hospitals. As they anticipate that more hospitals will join the Training Fund there will be more conversations in the future about skill transferability between hospitals

The hospital is using a 5 year time frame to assess their return on investment by tracking the program completion rate and retention of new nurses. However, Suffis comments that they've already realized a substantial return on investment in "goodwill" between employer and workers.



## **Section 4: The employer perspective: Analysis of interviews**

### ***Investing in a Multi-employer Partnership Approach***

The motivations expressed by employers interviewed in this study to either join or remain in a joint multi-employer training fund were largely similar. Their reasons were consistent with an internal labor market analysis of organizational behavior, which asserts the importance of both market forces and the customs, norms and power imbedded in the employment relationship in determining how a sector or workplace organizes itself, and whether it creates internal career ladders to promote tenure and retention. (Osterman and Burton 2004) The multi-employer training partnerships examined in this study represent an intentional strategy on the part of employers to strengthen their internal labor market, rather than the health care “occupational labor market”, though the two may not be mutually exclusive. (Tolbert, 1996) Employers interviewed in this study uniformly reported that their investment in the multi-employer fund was not motivated by an interest in improving the regional or national health care labor market, though they acknowledged this could be a welcome tertiary benefit. Three related factors emerged from the interviews with employers in the study to support this conclusion

First, employers’ primary concern when considering their training investments in the incumbent work force is the retention of employees and the ability to fill open positions, especially in nursing occupations, in a timely and cost effective manner. They see career advancement for incumbent workers as an effective strategy to achieve both. While they maintain an interest in attracting new entrants into healthcare occupations, they see incumbent workers as a highly desirable pool from which to staff critical shortage areas because of their demonstrated interest in remaining in the healthcare field.

Second, employers view the multi-employer approach to training investment as a means to gain more influence with education and government institutions who affect the health care workforce, in order to maximize the value of their investment. By combining funds and efforts, the multi-employer approach benefits individual employers through the advantage of the economy of scale, leveraging of training dollars with outside funders, and increased influence with educational providers on education modalities and degree articulation.

And third, employers consider the labor-management basis for the multi-employer approach a useful and necessary factor in building cultural norms and practices to both



encourage incumbent employee advancement through education and training, and to sustain the multi-employer coalition. The collective bargaining process for establishing employer contributions and the joint labor-management governance structure of the Training Fund institutionalizes both the existence of the multi-employer partnership, and its strategies and practices for encouraging worker advancement through education.

### *Retention and Career Advancement*

Strong evidence from studies of voluntary turnover in a variety of industries demonstrates that the existence of internal career ladders are associated with higher employee retention rates. However, employer provided training absent internal labor market strategies for placement and advancement is associated with higher quit rates. (Haines, Jalette, and Larose, 2010; Batt, Colvin, and Keefe, 2002) Employer investment in training that does not lead to internal career advancement can thus risk that workers will take their enhanced skills elsewhere.

Employers interviewed in this study emphasized that the primary purpose of their investment in the Training Fund was to promote incumbent worker career advancement through education for internal job placement to fill staffing needs. As evidence of this, the funds studied are organized to prioritize successful training completion and certification for internal job placement, rather than being organized to simply maximize enrollment or training fund utilization. The Training Funds have developed supportive learning services to enable successful training and education completion with the express purpose of increasing incumbent worker retention and reducing the cost of hiring from the outside. The New York Fund has further committed to enhancing retention and employment security by creating the Job Security Fund to share retention benefits between member employers, which in turn builds worker motivation to complete education programs.

The benefit of the Training Fund investment for maintaining internal career ladders in individual employment institutions can also become a shared benefit in the multi-employer training fund approach. The Training Fund increases the interactions between employers and colleges, producing a stronger emphasis on developing transferable credits. This interaction of multiple employers with colleges through the Training Fund in turn may require employers to develop clearer clinical pathways that are less hospital specific where employees can easily see an entry point and get started with an educational program earlier in their careers. Additional benefits exist in rationalizing the skill and training level of particular positions, for example anesthesia technicians, where employee type and level of training can vary substantially across hospitals. Shortages in these types of critical positions can be exacerbated by these



hospital specific requirements. A rationalized program for training that is adopted across hospitals and colleges can greatly ease employee access to training and job placement.

Employers also commented that making a commitment to career advancement strategies through the Training Fund has employer-specific benefits as well, including enhancement of the organization's reputation when attracting new employees, improvement in morale and wages of current employees, and alignment with other organizational initiatives for quality of care and technological change.

### Maximizing Investment

Employers see both economic and programmatic advantages in a multi-employer approach to funding and developing career advancement strategies. There is a simple financial advantage in combining investments with other employers to fund programs that would be cost prohibitive for individual employers, or for which there would not be sufficient demand. Pooling resources also opens the possibilities for a more robust range of educational strategies to address the barriers that many low income, working adults face to accessing and succeeding in education. For example, the cohort training approach used in both Seattle and New York capitalizes on the multi-employer partnership's economy of scale and has the substantial added benefits of facilitating the use of supportive learning services that would be difficult for individual employers to provide.

The Training Fund model's ability to leverage the combined resources of the Training Fund with outside sources of funding is a second financial advantage. The Fund is better able to compete for grant funded training dollars than individual employers by providing an economy of scale in both the application process and the administration of training. The Training Fund's infrastructure of grant writing, training coordination, and physical space for educational services relieves employers of the local burden of these tasks and frees up hospital education and organizational development staff time to focus on planning and forecasting training needs and working with individual departments to facilitate education and placement.

A programmatic advantage of the multi-employer approach is the increased influence it provides with educational providers on the development of training content, delivery, standards, and to improve articulation across diverse educational programs. For the Seattle employers who recently made the decision to form a joint training partnership, this was a primary desired benefit and a strong incentive to invest in the Training Fund approach. Employers in New York, who had already received benefit from the increased rationalization of training and certification the Fund has created over 40 years,



are more focused on how they can utilize the resources of the Training Fund for education and assistance customized to their particular needs and challenges.

As an example, Montefiore's Janett Hunter comments that while the participation in multi-employer training offerings are a big benefit, the Training Fund also provides opportunities to customize education to their specific needs. "It's really the best of both worlds. We can tell them what we need, and they tell us what they have that we can customize. Or, they help to pay for our specific needs." Similarly, the long-term relationships with colleges and training vendors developed by the Training Fund are an advantage for staging large-scale education programs but also are an advantage for individual hospitals such as Montefiore in their negotiations with vendors for customized programs.

Participation in Training Fund activities is also a means for industry benchmarking and for keeping up with what other hospitals in the region are doing. While this is useful for employers' institutional learning, it is also a benefit for individual workers when they are faced with changing certification standards and the need to pass new examinations, in some cases with the potential of job loss for failed exams. The Fund plays a useful role in accelerating the process of certification because of its ability to design and deliver standard training quickly and broadly. Training with employees from other facilities, workers have the chance to see how the new requirements are transferrable, accepted standards at other hospitals. And, the New York Fund demonstrates how extensive counseling and tutoring service can be a valuable benefit to help individual workers overcome anxiety or fear of reaching new standards, services that individual hospitals would have a difficult time providing. All of these factors contribute to retention and completion of training and education programs which in turn protects the considerable investment that the Funds make in each student.

### *The Labor-Management Advantage*

Employers consider the joint labor-management basis for the multi-employer approach to be a distinct advantage in maximizing their investment. The negotiated nature of the training funds requires union members and employers to find common ground in prioritizing training benefits as part of the bargained contract. This helps to give all the workplace partners a shared stake in the success of the training fund initiatives. Employers noted that the contractual nature of the training fund contributions also increases the credibility of the commitment that employers are making to career advancement among employees. Union members see it as tangible evidence that the employer is willing "go on record" in a way that employer promulgated policies do not transmit. And, union members may have to trade other employee benefits for the



training fund benefits in negotiations, increasing their commitment to career advancement.

In both Seattle's newly formed joint training partnership and New York's mature partnership, employers acknowledged that the union's role in convening the employers was essential to both starting and maintaining the multi-employer approach. Although the same employer motivations for partnering to promote career advancement for incumbent workers would exist without the presence of a union, the existence of a common union across employers provides a natural convening mechanism for organizing employers into a voluntary multi-employer partnership. The collective bargaining process provided an institutionalized approach for coming to agreement on how to structure and fund a multi-employer partnership. The joint governance structure provides a permanent venue to deal with issues of fairness, size, direction, and other stakeholder concerns.

The union's relationship with its members is also viewed as a vital mechanism for outreach with eligible employees. Their presence as co-governors of the Training Funds provides an added measure of assurance that confidentiality rules will be followed and eases workers' fears that skill and aptitude assessments, counseling, and test scores will not put their jobs or privacy at risk. Within hospitals, labor-management training committees were noted as an especially useful mechanism for determining the particular needs in the facility and maximizing participation. Because of their day-to-day relationship with the workforce, union delegates can play a unique role in encouraging enrollment and identifying barriers to completions. Employers in both the newly initiated Seattle Fund and the more mature New York Fund noted the value of the effect of labor-management collaboration on training and education for other collaborative efforts for organizational change and improvement.

### **Conclusion**

Employers' success in filling key skill areas with incumbent workers in health care is reliant on at least two interrelated factors. First, an individual employer must have the ability to build and maintain strong internal labor markets by encouraging employee education and providing advancement opportunities. However, a strong internal labor market will be underutilized if employees have difficulty obtaining appropriate training from educational providers. Therefore, employers' combined ability to influence the occupational labor market by pushing for rationalization of the patchwork of educational and certification standards is a critical factor in their individual ability to retain and advance incumbent workers. From this perspective, the joint labor-management multi-employer approach has a distinct advantage in that it brings the two most influential



stakeholders in health care workplace change, employers and healthcare worker unions, into a collaborative structure that allows them to effectively partner with other health care industry stakeholders for occupational and educational change.

While 3<sup>rd</sup> party workforce intermediaries can and do organize health care sector training initiatives with multiple participating partners, it can be difficult to retain multi-employer participation in repeat or extended initiatives. The long-term maintenance of these types of sectoral partnerships is dependent on the ability of the 3<sup>rd</sup> party intermediary to successfully identify and satisfy the needs of employer institutions, and to sustain funding. (Maguire, Freely, Clymer and Conway, 2009) This can be difficult to do as an external intermediary.

Imbedding the basis of a multi-employer partnership in the employment relationship through a union, rather than through external intermediaries, can provide a number of advantages to health care employers. The employment relationship provides a permanent vehicle for sustaining activity. As demonstrated in other sectors and occupations, joint union-management initiation of a training partnership provides for high levels of participation by stakeholders in determining program direction and content. And joint governance and joint funding helps to ensure that the needs of all partners are met on an on-going basis. Agreements with government and educational institutions made through partnership structures tend to be stronger than those made by employers or unions separately. Finally joint programs tend to be more durable than unilateral programs, which can be more easily dissolved. (Ferman et al., 1991)

As sector initiatives and multi-partner collaborations gain more prominence in a changing U.S. labor market, the model studied here is one that employers appear to find both attractive and durable to promote their expressed interest in providing opportunities for low-wage workers to advance to better paying jobs through education and skill development. It leverages the employment relationship to address both the critical needs of the health care sector and the potential of existing health care workers to fulfill those needs. As a sector strategy, the labor-management multi-employer approach offers an effective means for the industry to partner with education and other sector stakeholders to shape the future of health care career ladders.



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